

SECOND REGULAR SESSION

SENATE BILL NO. 1020

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS BRAY, BARNITZ AND SHOEMYER.

Read 1st time January 24, 2008, and ordered printed.

TERRY L. SPIELER, Secretary.

4691S.011

AN ACT

To repeal sections 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 67.1545, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 94.900, 144.010, 144.014, 144.030, 144.046, 144.049, 144.100, 144.517, 144.625, 144.655, 144.805, 221.407, 238.235, 238.410, and 644.032, RSMo, and to enact in lieu thereof thirty-one new sections relating to the implementation of the streamlined sales and use tax agreement.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 2 67.1545, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 3 94.705, 94.900, 144.010, 144.014, 144.030, 144.046, 144.049, 144.100, 144.517, 4 144.625, 144.655, 144.805, 221.407, 238.235, 238.410, and 644.032, RSMo, are 5 repealed and thirty-one new sections enacted in lieu thereof, to be known as 6 sections 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 67.1545, 67.1959, 7 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 94.900, 8 144.010, 144.014, 144.030, 144.049, 144.100, 144.105, 144.625, 144.655, 144.805, 9 221.407, 238.235, 238.410, and 644.032, to read as follows:

32.087. 1. Within ten days after the adoption of any ordinance or order in 2 favor of adoption of any local sales tax authorized under the local sales tax law by 3 the voters of a taxing entity, the governing body or official of such taxing entity 4 shall forward to the director of revenue by United States registered mail or 5 certified mail a certified copy of the ordinance or order. The ordinance or order 6 shall reflect the effective date thereof.

7 2. Any local sales tax so adopted shall become effective on the first day of 8 the second calendar quarter after the director of revenue receives notice of

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

9 adoption of the local sales tax, except as provided in subsection 18 of this section.

10 3. Every retailer within the jurisdiction of one or more taxing entities
11 which has imposed one or more local sales taxes under the local sales tax law
12 shall add all taxes so imposed along with the tax imposed by the sales tax law of
13 the state of Missouri to the sale price and, when added, the combined tax shall
14 constitute a part of the price, and shall be a debt of the purchaser to the retailer
15 until paid, and shall be recoverable at law in the same manner as the purchase
16 price. The combined rate of the state sales tax and all local sales taxes shall be
17 the sum of the rates, multiplying the combined rate times the amount of the sale.

18 4. The brackets required to be established by the director of revenue under
19 the provisions of section 144.285, RSMo, shall be based upon the sum of the
20 combined rate of the state sales tax and all local sales taxes imposed under the
21 provisions of the local sales tax law.

22 5. The ordinance or order imposing a local sales tax under the local sales
23 tax law shall impose upon all sellers a tax for the privilege of engaging in the
24 business of selling tangible personal property or rendering taxable services at
25 retail to the extent and in the manner provided in sections 144.010 to 144.525,
26 RSMo, and the rules and regulations of the director of revenue issued pursuant
27 thereto; except that the rate of the tax shall be the sum of the combined rate of
28 the state sales tax or state highway use tax and all local sales taxes imposed
29 under the provisions of the local sales tax law.

30 6. On and after the effective date of any local sales tax imposed under the
31 provisions of the local sales tax law, the director of revenue shall perform all
32 functions incident to the administration, collection, enforcement, and operation of
33 the tax, and the director of revenue shall collect in addition to the sales tax for the
34 state of Missouri all additional local sales taxes authorized under the authority
35 of the local sales tax law. All local sales taxes imposed under the local sales tax
36 law together with all taxes imposed under the sales tax law of the state of
37 Missouri shall be collected together and reported upon such forms and under such
38 administrative rules and regulations as may be prescribed by the director of
39 revenue.

40 7. All applicable provisions contained in sections 144.010 to 144.525,
41 RSMo, governing the state sales tax and section 32.057, the uniform
42 confidentiality provision, shall apply to the collection of any local sales tax
43 imposed under the local sales tax law except as modified by the local sales tax
44 law.

45 8. All exemptions granted to agencies of government, organizations,
46 persons and to the sale of certain articles and items of tangible personal property
47 and taxable services under the provisions of sections 144.010 to 144.525, RSMo,
48 as these sections now read and as they may hereafter be amended, it being the
49 intent of this general assembly to ensure that the same sales tax exemptions
50 granted from the state sales tax law also be granted under the local sales tax law,
51 are hereby made applicable to the imposition and collection of all local sales taxes
52 imposed under the local sales tax law.

53 9. The same sales tax permit, exemption certificate and retail certificate
54 required by sections 144.010 to 144.525, RSMo, for the administration and
55 collection of the state sales tax shall satisfy the requirements of the local sales tax
56 law, and no additional permit or exemption certificate or retail certificate shall be
57 required; except that the director of revenue may prescribe a form of exemption
58 certificate for an exemption from any local sales tax imposed by the local sales tax
59 law.

60 10. All discounts allowed the retailer under the provisions of the state
61 sales tax law for the collection of and for payment of taxes under the provisions
62 of the state sales tax law are hereby allowed and made applicable to any local
63 sales tax collected under the provisions of the local sales tax law.

64 11. The penalties provided in section 32.057 and sections 144.010 to
65 144.525, RSMo, for a violation of the provisions of those sections are hereby made
66 applicable to violations of the provisions of the local sales tax law.

67 12. (1) For the purposes of any local sales tax imposed by an ordinance or
68 order under the local sales tax law, all sales, except the sale of motor vehicles,
69 trailers, boats, and outboard motors, shall be deemed to be consummated at the
70 place [of business of the retailer unless the tangible personal property sold is
71 delivered by the retailer or his agent to an out-of-state destination. In the event
72 a retailer has more than one place of business in this state which participates in
73 the sale, the sale shall be deemed to be consummated at the place of business of
74 the retailer where the initial order for the tangible personal property is taken,
75 even though the order must be forwarded elsewhere for acceptance, approval of
76 credit, shipment or billing. A sale by a retailer's agent or employee shall be
77 deemed to be consummated at the place of business from which he works] **where**
78 **the tangible personal property is received by the purchaser.**

79 (2) For the purposes of any local sales tax imposed by an ordinance or
80 order under the local sales tax law, all sales of motor vehicles, trailers, boats, and

81 outboard motors shall be deemed to be consummated at the residence of the
82 purchaser and not at the place of business of the retailer, or the place of business
83 from which the retailer's agent or employee works.

84 (3) For the purposes of any local tax imposed by an ordinance or under the
85 local sales tax law on charges for mobile telecommunications services, all taxes of
86 mobile telecommunications service shall be imposed as provided in the Mobile
87 Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended.

88 13. Local sales taxes imposed pursuant to the local sales tax law on the
89 purchase and sale of motor vehicles, trailers, boats, and outboard motors shall not
90 be collected and remitted by the seller, but shall be collected by the director of
91 revenue at the time application is made for a certificate of title, if the address of
92 the applicant is within a taxing entity imposing a local sales tax under the local
93 sales tax law.

94 14. The director of revenue and any of his deputies, assistants and
95 employees who have any duties or responsibilities in connection with the
96 collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting,
97 or recording of funds which come into the hands of the director of revenue under
98 the provisions of the local sales tax law shall enter a surety bond or bonds payable
99 to any and all taxing entities in whose behalf such funds have been collected
100 under the local sales tax law in the amount of one hundred thousand dollars for
101 each such tax; but the director of revenue may enter into a blanket bond covering
102 himself and all such deputies, assistants and employees. The cost of any premium
103 for such bonds shall be paid by the director of revenue from the share of the
104 collections under the sales tax law retained by the director of revenue for the
105 benefit of the state.

106 15. The director of revenue shall annually report on his management of
107 each trust fund which is created under the local sales tax law and administration
108 of each local sales tax imposed under the local sales tax law. He shall provide
109 each taxing entity imposing one or more local sales taxes authorized by the local
110 sales tax law with a detailed accounting of the source of all funds received by him
111 for the taxing entity. Notwithstanding any other provisions of law, the state
112 auditor shall annually audit each trust fund. A copy of the director's report and
113 annual audit shall be forwarded to each taxing entity imposing one or more local
114 sales taxes.

115 16. Within the boundaries of any taxing entity where one or more local
116 sales taxes have been imposed, if any person is delinquent in the payment of the

117 amount required to be paid by him under the local sales tax law or in the event
118 a determination has been made against him for taxes and penalty under the local
119 sales tax law, the limitation for bringing suit for the collection of the delinquent
120 tax and penalty shall be the same as that provided in sections 144.010 to 144.525,
121 RSMo. Where the director of revenue has determined that suit must be filed
122 against any person for the collection of delinquent taxes due the state under the
123 state sales tax law, and where such person is also delinquent in payment of taxes
124 under the local sales tax law, the director of revenue shall notify the taxing entity
125 in the event any person fails or refuses to pay the amount of any local sales tax
126 due so that appropriate action may be taken by the taxing entity.

127 17. Where property is seized by the director of revenue under the
128 provisions of any law authorizing seizure of the property of a taxpayer who is
129 delinquent in payment of the tax imposed by the state sales tax law, and where
130 such taxpayer is also delinquent in payment of any tax imposed by the local sales
131 tax law, the director of revenue shall permit the taxing entity to join in any sale
132 of property to pay the delinquent taxes and penalties due the state and to the
133 taxing entity under the local sales tax law. The proceeds from such sale shall first
134 be applied to all sums due the state, and the remainder, if any, shall be applied
135 to all sums due such taxing entity.

136 18. If a local sales tax has been in effect for at least one year under the
137 provisions of the local sales tax law and voters approve reimposition of the same
138 local sales tax at the same rate at an election as provided for in the local sales tax
139 law prior to the date such tax is due to expire, the tax so reimposed shall become
140 effective the first day of the first calendar quarter after the director receives a
141 certified copy of the ordinance, order or resolution accompanied by a map clearly
142 showing the boundaries thereof and the results of such election, provided that
143 such ordinance, order or resolution and all necessary accompanying materials are
144 received by the director at least thirty days prior to the expiration of such
145 tax. Any administrative cost or expense incurred by the state as a result of the
146 provisions of this subsection shall be paid by the city or county reimposing such
147 tax.

148 **19. If the boundaries of a city in which a sales tax has been**
149 **imposed shall thereafter be changed or altered, the city clerk shall**
150 **forward to the director of revenue by United States registered mail or**
151 **certified mail a certified copy of the ordinance adding or detaching**
152 **territory from the city within ten days of adoption of the**

153 ordinance. The ordinance shall reflect the effective date of the
154 ordinance and shall be accompanied by a map of the city clearly
155 showing the territory added or detached from the city
156 boundaries. Upon receipt of the ordinance and map, the tax imposed
157 under the local sales tax law shall be effective in the added territory or
158 abolished in the detached territory on the first day of the second
159 calendar quarter after the director of revenue receives notice of the
160 boundary change.

67.576. 1. The following provisions shall govern the collection of the tax
2 imposed by the provisions of sections 67.571 to 67.577:

3 (1) All applicable provisions contained in sections 144.010 to 144.510,
4 RSMo, governing the state sales tax and section 32.057, RSMo, the uniform
5 confidentiality provision, shall apply to the collection of the tax imposed by the
6 provisions of sections 67.571 to 67.577;

7 (2) All exemptions granted to agencies of government, organizations, and
8 persons under the provisions of sections 144.010 to 144.510, RSMo, are hereby
9 made applicable to the imposition and collection of the tax imposed by sections
10 67.571 to 67.577.

11 2. The same sales tax permit, exemption certificate and retail certificate
12 required by sections 144.010 to 144.510, RSMo, for the administration and
13 collection of the state sales tax shall satisfy the requirements of sections 67.571
14 to 67.577, and no additional permit or exemption certificate or retail certificate
15 shall be required; except that, the director of revenue may prescribe a form of
16 exemption certificate for an exemption from the tax imposed by sections 67.571 to
17 67.577.

18 3. All discounts allowed the retailer pursuant to the provisions of the state
19 sales tax law for the collection of and for payment of taxes pursuant to that act
20 are hereby allowed and made applicable to any taxes collected pursuant to the
21 provisions of sections 67.571 to 67.577.

22 4. The penalties provided in section 32.057, RSMo, and sections 144.010
23 to 144.510, RSMo, for a violation of those acts are hereby made applicable to
24 violations of the provisions of sections 67.571 to 67.577.

25 5. [For the purposes of the sales tax imposed by an order pursuant to
26 sections 67.571 to 67.577, all retail sales shall be deemed to be consummated at
27 the place of business of the retailer.] **Except as provided in sections 67.571**
28 **to 67.577, all provisions of sections 32.085 and 32.087, RSMo, shall apply**

29 to the tax imposed under section 67.571 to 67.577.

67.582. 1. The governing body of any county, except a county of the first
 2 class with a charter form of government with a population of greater than four
 3 hundred thousand inhabitants, is hereby authorized to impose, by ordinance or
 4 order, a sales tax in the amount of up to one-half of one percent on all retail sales
 5 made in such county which are subject to taxation under the provisions of sections
 6 144.010 to 144.525, RSMo, for the purpose of providing law enforcement services
 7 for such county. The tax authorized by this section shall be in addition to any and
 8 all other sales taxes allowed by law, except that no ordinance or order imposing
 9 a sales tax under the provisions of this section shall be effective unless the
 10 governing body of the county submits to the voters of the county, at a county or
 11 state general, primary or special election, a proposal to authorize the governing
 12 body of the county to impose a tax.

13 2. The ballot of submission shall contain, but need not be limited to, the
 14 following language:

15 (1) If the proposal submitted involves only authorization to impose the tax
 16 authorized by this section the ballot shall contain substantially the following:

17 Shall the county of (county's name) impose a countywide sales tax
 18 of (insert amount) for the purpose of providing law enforcement services
 19 for the county?

20 YES NO

21 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
 22 are opposed to the question, place an "X" in the box opposite "No"; or

23 (2) If the proposal submitted involves authorization to enter into
 24 agreements to form a regional jail district and obligates the county to make
 25 payments from the tax authorized by this section the ballot shall contain
 26 substantially the following:

27 Shall the county of (county's name) be authorized to enter into
 28 agreements for the purpose of forming a regional jail district and obligating the
 29 county to impose a countywide sales tax of (insert amount) to fund
 30 dollars of the costs to construct a regional jail and to fund the costs to
 31 operate a regional jail, with any funds in excess of that necessary to construct and
 32 operate such jail to be used for law enforcement purposes?

33 YES NO

34 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
 35 are opposed to the question, place an "X" in the box opposite "No".

36 If a majority of the votes cast on the proposal by the qualified voters voting
37 thereon are in favor of the proposal submitted pursuant to subdivision (1) of this
38 subsection, then the ordinance or order and any amendments thereto shall be in
39 effect on the first day of the second **calendar** quarter [immediately following the
40 election approving the proposal] **after the director of revenue receives**
41 **notification of adoption of the local sales tax.** If the constitutionally
42 required percentage of the voters voting thereon are in favor of the proposal
43 submitted pursuant to subdivision (2) of this subsection, then the ordinance or
44 order and any amendments thereto shall be in effect on the first day of the second
45 **calendar** quarter [immediately following the election approving the proposal]
46 **after the director of revenue receives notification of adoption of the**
47 **local sales tax.** If a proposal receives less than the required majority, then the
48 governing body of the county shall have no power to impose the sales tax herein
49 authorized unless and until the governing body of the county shall again have
50 submitted another proposal to authorize the governing body of the county to
51 impose the sales tax authorized by this section and such proposal is approved by
52 the required majority of the qualified voters voting thereon. However, in no event
53 shall a proposal pursuant to this section be submitted to the voters sooner than
54 twelve months from the date of the last proposal pursuant to this section.

55 3. All revenue received by a county from the tax authorized under the
56 provisions of this section shall be deposited in a special trust fund and shall be
57 used solely for providing law enforcement services for such county for so long as
58 the tax shall remain in effect. Revenue placed in the special trust fund may also
59 be utilized for capital improvement projects for law enforcement facilities and for
60 the payment of any interest and principal on bonds issued for said capital
61 improvement projects.

62 4. Once the tax authorized by this section is abolished or is terminated by
63 any means, all funds remaining in the special trust fund shall be used solely for
64 providing law enforcement services for the county. Any funds in such special trust
65 fund which are not needed for current expenditures may be invested by the
66 governing body in accordance with applicable laws relating to the investment of
67 other county funds.

68 5. All sales taxes collected by the director of revenue under this section on
69 behalf of any county, less one percent for cost of collection which shall be
70 deposited in the state's general revenue fund after payment of premiums for
71 surety bonds as provided in section 32.087, RSMo, shall be deposited in a special

72 trust fund, which is hereby created, to be known as the "County Law Enforcement
73 Sales Tax Trust Fund". The moneys in the county law enforcement sales tax trust
74 fund shall not be deemed to be state funds and shall not be commingled with any
75 funds of the state. The director of revenue shall keep accurate records of the
76 amount of money in the trust and which was collected in each county imposing a
77 sales tax under this section, and the records shall be open to the inspection of
78 officers of the county and the public. Not later than the tenth day of each month
79 the director of revenue shall distribute all moneys deposited in the trust fund
80 during the preceding month to the county which levied the tax; such funds shall
81 be deposited with the county treasurer of each such county, and all expenditures
82 of funds arising from the county law enforcement sales tax trust fund shall be by
83 an appropriation act to be enacted by the governing body of each such
84 county. Expenditures may be made from the fund for any law enforcement
85 functions authorized in the ordinance or order adopted by the governing body
86 submitting the law enforcement tax to the voters.

87 6. The director of revenue may authorize the state treasurer to make
88 refunds from the amounts in the trust fund and credited to any county for
89 erroneous payments and overpayments made, and may redeem dishonored checks
90 and drafts deposited to the credit of such counties. If any county abolishes the
91 tax, the county shall notify the director of revenue of the action at least ninety
92 days prior to the effective date of the repeal and the director of revenue may order
93 retention in the trust fund, for a period of one year, of two percent of the amount
94 collected after receipt of such notice to cover possible refunds or overpayment of
95 the tax and to redeem dishonored checks and drafts deposited to the credit of such
96 accounts. After one year has elapsed after the effective date of abolition of the tax
97 in such county, the director of revenue shall remit the balance in the account to
98 the county and close the account of that county. The director of revenue shall
99 notify each county of each instance of any amount refunded or any check redeemed
100 from receipts due the county.

101 7. Except as modified in this section, all provisions of sections 32.085 and
102 32.087, RSMo, shall apply to the tax imposed under this section.

67.584. 1. The governing body of any county of the first classification with
2 more than one hundred ninety-eight thousand but less than one hundred
3 ninety-eight thousand two hundred inhabitants is hereby authorized to impose,
4 by ordinance or order, a sales tax in the amount of up to one-half percent on all
5 retail sales made in such county which are subject to taxation pursuant to sections

6 144.010 to 144.525, RSMo, for the purpose of providing law enforcement services
7 for such county. The tax authorized by this section shall be in addition to any and
8 all other sales taxes allowed by law, except that no ordinance or order imposing
9 a sales tax pursuant to this section shall be effective unless the governing body
10 of the county submits to the voters of the county, at a county or state general,
11 primary, or special election, a proposal to authorize the governing body of the
12 county to impose a tax.

13 2. If the proposal submitted involves only authorization to impose the tax
14 authorized by this section, the ballot of submission shall contain, but need not be
15 limited to, the following language:

16 "Shall the county of (county's name) impose a countywide
17 sales tax of (insert amount) for the purpose of providing law enforcement
18 services for the county?"

19 YES NO

20 If you are in favor of the question, place an "X" in the box opposite "YES". If you
21 are opposed to the question, place an "X" in the box opposite "NO".

22 If a majority of the votes cast on the proposal by the qualified voters voting
23 thereon are in favor of the proposal submitted pursuant to this subsection, then
24 the ordinance or order and any amendments thereto shall be in effect on the first
25 day of the second **calendar** quarter [immediately following the election approving
26 the proposal] **after the director of revenue receives notification of**
27 **adoption of the local sales tax**. If a proposal receives less than the required
28 majority, then the governing body of the county shall have no power to impose the
29 sales tax herein authorized unless and until the governing body of the county shall
30 again have submitted another proposal to authorize the governing body of the
31 county to impose the sales tax authorized by this section and such proposal is
32 approved by the required majority of the qualified voters voting
33 thereon. However, in no event shall a proposal pursuant to this section be
34 submitted to the voters sooner than twelve months from the date of the last
35 proposal pursuant to this section.

36 3. Twenty-five percent of the revenue received by a county treasurer from
37 the tax authorized pursuant to this section shall be deposited in a special trust
38 fund and shall be used solely by a prosecuting attorney's office for such county for
39 so long as the tax shall remain in effect. The remainder of revenue shall be
40 deposited in the county law enforcement sales tax trust fund established pursuant
41 to section 67.582 of the county levying the tax pursuant to this section. The

42 revenue derived from the tax imposed pursuant to this section shall be used for
43 public law enforcement services only. No revenue derived from the tax imposed
44 pursuant to this section shall be used for any private contractor providing law
45 enforcement services or for any private jail.

46 4. Once the tax authorized by this section is abolished or is terminated by
47 any means, all funds remaining in the prosecuting attorney's trust fund shall be
48 used solely by a prosecuting attorney's office for the county. Any funds in such
49 special trust fund which are not needed for current expenditures may be invested
50 by the governing body in accordance with applicable laws relating to the
51 investment of other county funds.

52 5. All sales taxes collected by the director of revenue pursuant to this
53 section on behalf of any county, less one percent for cost of collection which shall
54 be deposited in the state's general revenue fund after payment of premiums for
55 surety bonds as provided in section 32.087, RSMo, shall be deposited in a special
56 trust fund, which is hereby created, to be known as the "County Prosecuting
57 Attorney's Office Sales Tax Trust Fund" or in the county law enforcement sales
58 tax trust fund, pursuant to the deposit ratio in subsection 3 of this section. The
59 moneys in the trust funds shall not be deemed to be state funds and shall not be
60 commingled with any funds of the state. The director of revenue shall keep
61 accurate records of the amount of money in the trusts and which was collected in
62 each county imposing a sales tax pursuant to this section, and the records shall
63 be open to the inspection of officers of the county and the public. Not later than
64 the tenth day of each month the director of revenue shall distribute all moneys
65 deposited in the trust funds during the preceding month to the county which
66 levied the tax; such funds shall be deposited with the county treasurer of each
67 such county, and all expenditures of funds arising from either trust fund shall be
68 by an appropriation act to be enacted by the governing body of each such
69 county. Expenditures may be made from the funds for any functions authorized
70 in the ordinance or order adopted by the governing body submitting the tax to the
71 voters.

72 6. The director of revenue may authorize the state treasurer to make
73 refunds from the amounts in the trust funds and credited to any county for
74 erroneous payments and overpayments made, and may redeem dishonored checks
75 and drafts deposited to the credit of such counties. If any county abolishes the
76 tax, the county shall notify the director of revenue of the action at least ninety
77 days before the effective date of the repeal and the director of revenue may order

78 retention in the appropriate trust fund, for a period of one year, of two percent of
 79 the amount collected after receipt of such notice to cover possible refunds or
 80 overpayments of the tax and to redeem dishonored checks and drafts deposited to
 81 the credit of such accounts. After one year has elapsed after the effective date of
 82 abolition of the tax in such county, the director of revenue shall remit the balance
 83 in the account to the county and close the account of that county established
 84 pursuant to this section. The director of revenue shall notify each county of each
 85 instance of any amount refunded or any check redeemed from receipts due the
 86 county.

87 7. Except as modified in this section, all provisions of sections 32.085 and
 88 32.087, RSMo, shall apply to the tax imposed pursuant to this section.

67.671. 1. The governing body of any county, except first class counties
 2 other than first class counties without charter form of government not adjoining
 3 any other first class county unless such first class county contains part of a city
 4 with a population over four hundred and fifty thousand, and except as otherwise
 5 provided in subsection 4 or subsection 7 of this section may, by a majority vote,
 6 impose a tourism sales tax throughout or in any portion of the county for the
 7 promotion of tourism as provided in this act, but such tax shall not become
 8 effective unless the governing body of the county submits to the voters of the
 9 county, at a public election, a proposal to authorize the county to impose a tax
 10 under the provisions of sections 67.671 to 67.685.

11 2. The ballot of submission shall be in substantially the following form:

12 Shall the county of (Insert the name of the county) impose
 13 a tourism sales tax of (Insert rate of percent) percent in certain
 14 areas of the county?

15 YES NO

16 If a majority of the votes cast on the proposal by the qualified voters voting
 17 thereon are in favor of the proposal, then the tax shall be in effect **on the first**
 18 **day of the second calendar quarter after the director of revenue**
 19 **receives notification of adoption of the local sales tax.** If a majority of the
 20 votes cast by the qualified voters voting are opposed to the proposal, then the
 21 governing body of the county shall have no power to impose the tax authorized by
 22 sections 67.671 to 67.685, unless and until the governing body of the county shall
 23 again have submitted another proposal to authorize the governing body of the
 24 county to impose the tax, and such proposal is approved by a majority of the
 25 qualified voters voting thereon.

26 3. Except as otherwise provided in subsection 4 or subsection 7 of this
 27 section, the tourism tax may be imposed at a rate of not more than seven-eighths
 28 of one percent on the receipts from the sale at retail of certain tangible personal
 29 property or taxable services within that part of the county for which such tax has
 30 been adopted, as specified in section 67.674.

31 4. The governing body of any third class county which adjoins the
 32 Mississippi River and which also adjoins one or more first class counties without
 33 a charter form of government and which has a population of not more than sixteen
 34 thousand inhabitants according to the 1980 decennial census may, by a majority
 35 vote, impose:

36 (1) A tourism sales tax on the sale of all food and beverages sold for
 37 consumption on the premises of all restaurants, bars, taverns, or other
 38 establishments which are primarily used to provide food and beverage services;

39 (2) A tourism sales tax upon the rent or lease charges paid by transient
 40 guests of hotels, motels, condominiums, houseboats, and space rented in
 41 campgrounds;

42 (3) Or both.

43 The tax may be imposed throughout or in any portion of the county for the
 44 promotion of tourism as provided in sections 67.671 to 67.685 but such tax shall
 45 not become effective unless the governing body of the county submits to the voters
 46 of the county, at a public election, a proposal to authorize the county to impose the
 47 tax.

48 5. The ballot of submission shall be in substantially the following form:

49 Shall the county of (Insert name of county) impose a tourism
 50 sales tax of (Insert rate of percent) percent on the sale or rental of
 51 (Insert type of property or service) in certain areas of the
 52 county?

53 YES NO

54 If a majority of the votes cast on the proposal by the qualified voters voting
 55 thereon are in favor of the proposal, then the tax shall be in effect. If a majority
 56 of the votes cast by the qualified voters voting are opposed to the proposal, then
 57 the governing body of the county shall have no power to impose the tax unless and
 58 until the governing body of the county shall again have submitted another
 59 proposal to authorize the governing body of the county to impose the tax, and such
 60 proposal is approved by a majority of the qualified voters voting thereon. The
 61 tourism tax may be imposed at a rate of not more than two percent on the receipts

62 from the sale or rental at retail of certain tangible personal property or taxable
63 services as provided in this subsection within that part of the county for which
64 such tax has been adopted.

65 6. Within ten days after a vote in favor of the adoption of a tourism sales
66 tax by the voters of any such county, the governing body of the county shall make
67 its order imposing the tax. The tax shall become effective on the first day of the
68 **[first] second** calendar quarter after [such order is made; provided that in any
69 first class county with a population of at least eighty thousand but less than one
70 hundred thousand, the tax shall become effective on the first day of the first
71 month which begins more than thirty days after such order is made, and such tax
72 shall be collected by the department of revenue in the same manner as prescribed
73 in section 32.087, RSMo, except as otherwise provided in this section] **the**
74 **department receives notification of adoption of such tax.**

75 7. In any county which has any part of a Corps of Engineers lake with a
76 shoreline of at least eight hundred miles and not exceeding a shoreline of nine
77 hundred miles, the tourism tax may be imposed at a rate of not more than two
78 percent on the receipts from the sale at retail of certain tangible personal property
79 or taxable services, subject to tax pursuant to chapter 144, RSMo, within that
80 portion of the county for which such tax has been adopted. All areas in such
81 county imposing a tourism tax eligible to do so under the provisions of this section
82 shall be contiguous with all other areas which adopt the tax.

83 [8. All tourism sales tax collected pursuant to subsection 7 of this section
84 shall be collected and administered by the county collector as provided in section
85 67.680 and deposited in the "County Advertising and Tourism Sales Tax Trust
86 Fund" created in such section.]

 67.678. 1. The following provisions shall govern the collection of the tax
2 imposed by the provisions of sections 67.671 to 67.685:

3 (1) All applicable provisions contained in sections 144.010 to 144.510,
4 RSMo, governing the state sales tax and section 32.057, RSMo, the uniform
5 confidentiality provision, shall apply to the collection of the tax imposed by the
6 provisions of sections 67.671 to 67.685, except as modified in sections 67.671 to
7 67.685;

8 (2) All exemptions granted to agencies of government, organizations, and
9 persons under the provisions of sections 144.010 to 144.510, RSMo, are hereby
10 made applicable to the imposition and collection of the tax imposed by sections
11 67.671 to 67.685.

12 2. The same sales tax permit, exemption certificate and retail certificate
13 required by sections 144.010 to 144.510, RSMo, for the administration and
14 collection of the state sales tax shall satisfy the requirements of sections 67.671
15 to 67.685, and no additional permit or exemption certificate or retail certificate
16 shall be required; except that, the director of revenue may prescribe a form of
17 exemption certificate for an exemption from the tax imposed by sections 67.671 to
18 67.685.

19 3. All discounts allowed the retailer under the provisions of the state sales
20 tax law for the collection of and for payment of taxes under that act are hereby
21 allowed and made applicable to any taxes collected under the provisions of
22 sections 67.671 to 67.685.

23 4. The penalties provided in sections 32.057 and 144.010 to 144.510, RSMo,
24 for a violation of those acts are hereby made applicable to violations of the
25 provisions of sections 67.671 to 67.685.

26 [5. For the purposes of the tourism sales tax imposed by an order pursuant
27 to sections 67.671 to 67.685, all retail sales shall be deemed to be consummated
28 at the place of business of the retailer.]

67.1303. 1. The governing body of any home rule city with more than one
2 hundred fifty-one thousand five hundred but less than one hundred fifty-one
3 thousand six hundred inhabitants, any home rule city with more than forty-five
4 thousand five hundred but less than forty-five thousand nine hundred inhabitants
5 and the governing body of any city within any county of the first classification
6 with more than one hundred four thousand six hundred but less than one hundred
7 four thousand seven hundred inhabitants and the governing body of any county
8 of the third classification without a township form of government and with more
9 than forty thousand eight hundred but less than forty thousand nine hundred
10 inhabitants or any city within such county may impose, by order or ordinance, a
11 sales tax on all retail sales made in the city or county which are subject to sales
12 tax under chapter 144, RSMo. In addition, the governing body of any county of
13 the first classification with more than eighty-five thousand nine hundred but less
14 than eighty-six thousand inhabitants or the governing body of any home rule city
15 with more than seventy-three thousand but less than seventy-five thousand
16 inhabitants may impose, by order or ordinance, a sales tax on all retail sales made
17 in the city or county which are subject to sales tax under chapter 144, RSMo. The
18 tax authorized in this section shall not be more than one-half of one percent. The
19 order or ordinance imposing the tax shall not become effective unless the

20 governing body of the city or county submits to the voters of the city or county at
21 a state general or primary election a proposal to authorize the governing body to
22 impose a tax under this section. The tax authorized in this section shall be in
23 addition to all other sales taxes imposed by law, and shall be stated separately
24 from all other charges and taxes.

25 2. The ballot of submission for the tax authorized in this section shall be
26 in substantially the following form:

27 Shall (insert the name of the city or county) impose a sales
28 tax at a rate of (insert rate of percent) percent for economic development
29 purposes?

30 YES NO

31 If a majority of the votes cast on the question by the qualified voters voting
32 thereon are in favor of the question, then the tax shall become effective on the
33 first day of the second calendar quarter [following the calendar quarter in which
34 the election was held. If a majority of the votes cast on the question by the
35 qualified voters voting thereon are opposed to the question, then the tax shall not
36 become effective unless and until the question is resubmitted under this section
37 to the qualified voters and such question is approved by a majority of the qualified
38 voters voting on the question, provided that no proposal shall be resubmitted to
39 the voters sooner than twelve months from the date of the submission of the last
40 proposal] **after the director of revenue receives notification of adoption
41 of the local sales tax. If a majority of the votes cast on the question by
42 the qualified voters voting on the question are opposed, then the tax
43 shall not become effective unless the question is resubmitted under this
44 section to the qualified voters and such question is approved by a
45 majority of the qualified voters voting on the question. No proposal
46 shall be resubmitted to the voters sooner than twelve months from the
47 date of the submission of the last proposal.**

48 3. No revenue generated by the tax authorized in this section shall be used
49 for any retail development project. At least twenty percent of the revenue
50 generated by the tax authorized in this section shall be used solely for projects
51 directly related to long-term economic development preparation, including, but not
52 limited to, the following:

- 53 (1) Acquisition of land;
- 54 (2) Installation of infrastructure for industrial or business parks;
- 55 (3) Improvement of water and wastewater treatment capacity;

- 56 (4) Extension of streets;
57 (5) Providing matching dollars for state or federal grants;
58 (6) Marketing;
59 (7) Providing grants and low-interest loans to companies for job training,
60 equipment acquisition, site development, and infrastructure.

61 Not more than twenty-five percent of the revenue generated may be used annually
62 for administrative purposes, including staff and facility costs.

63 4. All revenue generated by the tax shall be deposited in a special trust
64 fund and shall be used solely for the designated purposes. If the tax is repealed,
65 all funds remaining in the special trust fund shall continue to be used solely for
66 the designated purposes. Any funds in the special trust fund which are not
67 needed for current expenditures may be invested by the governing body in
68 accordance with applicable laws relating to the investment of other city or county
69 funds.

70 5. **The director of revenue may authorize the state treasurer to**
71 **make refunds from the amounts in the trust fund and credited to any**
72 **city or county for erroneous payments in the trust fund and credited to**
73 **any city or county for erroneous payments and overpayments made, and**
74 **may redeem dishonored checks and drafts deposited to the credit of**
75 **such counties. Each city or county shall notify the director of revenue**
76 **at least ninety days prior to the effective date of the expiration of the**
77 **sales tax authorized by this section and the director of revenue may**
78 **order retention in the trust fund, for a period of one year, of two**
79 **percent of the amount collected after receipt of such notice to cover**
80 **possible refunds or overpayment of such tax and to redeem dishonored**
81 **checks and drafts deposited to the credit of such accounts. After one**
82 **year has elapsed after the date of expiration of the tax authorized by**
83 **this section in such city or county, the director of revenue shall remit**
84 **the balance in the account to the city or county and close the account**
85 **of that city or county. The director of revenue shall notify each city or**
86 **county of each instance of any amount refunded or any check redeemed**
87 **from receipts due the city or county.**

88 6. Any city or county imposing the tax authorized in this section shall
89 establish an economic development tax board. The board shall consist of eleven
90 members, to be appointed as follows:

- 91 (1) Two members shall be appointed by the school boards whose districts

92 are included within any economic development plan or area funded by the sales
93 tax authorized in this section. Such members shall be appointed in any manner
94 agreed upon by the affected districts;

95 (2) One member shall be appointed, in any manner agreed upon by the
96 affected districts, to represent all other districts levying ad valorem taxes within
97 the area selected for an economic development project or area funded by the sales
98 tax authorized in this section, excluding representatives of the governing body of
99 the city or county;

100 (3) One member shall be appointed by the largest public school district in
101 the city or county;

102 (4) In each city or county, five members shall be appointed by the chief
103 elected officer of the city or county with the consent of the majority of the
104 governing body of the city or county;

105 (5) In each city, two members shall be appointed by the governing body of
106 the county in which the city is located. In each county, two members shall be
107 appointed by the governing body of the county.

108 At the option of the members appointed by a city or county the members who are
109 appointed by the school boards and other taxing districts may serve on the board
110 for a term to coincide with the length of time an economic development project,
111 plan, or designation of an economic development area is considered for approval
112 by the board, or for the definite terms as provided in this subsection. If the
113 members representing school districts and other taxing districts are appointed for
114 a term coinciding with the length of time an economic development project, plan,
115 or area is approved, such term shall terminate upon final approval of the project,
116 plan, or designation of the area by the governing body of the city or county. If any
117 school district or other taxing jurisdiction fails to appoint members of the board
118 within thirty days of receipt of written notice of a proposed economic development
119 plan, economic development project, or designation of an economic development
120 area, the remaining members may proceed to exercise the power of the board. Of
121 the members first appointed by the city or county, three shall be designated to
122 serve for terms of two years, three shall be designated to serve for a term of three
123 years, and the remaining members shall be designated to serve for a term of four
124 years from the date of such initial appointments. Thereafter, the members
125 appointed by the city or county shall serve for a term of four years, except that all
126 vacancies shall be filled for unexpired terms in the same manner as were the
127 original appointments.

128 [6.] 7. The board, subject to approval of the governing body of the city or
129 county, shall develop economic development plans, economic development projects,
130 or designations of an economic development area, and shall hold public hearings
131 and provide notice of any such hearings. The board shall vote on all proposed
132 economic development plans, economic development projects, or designations of an
133 economic development area, and amendments thereto, within thirty days following
134 completion of the hearing on any such plan, project, or designation, and shall
135 make recommendations to the governing body within ninety days of the hearing
136 concerning the adoption of or amendment to economic development plans,
137 economic development projects, or designations of an economic development area.

138 [7.] 8. The board shall report at least annually to the governing body of
139 the city or county on the use of the funds provided under this section and on the
140 progress of any plan, project, or designation adopted under this section.

141 [8.] 9. The governing body of any city or county that has adopted the sales
142 tax authorized in this section may submit the question of repeal of the tax to the
143 voters on any date available for elections for the city or county. The ballot of
144 submission shall be in substantially the following form:

145 Shall (insert the name of the city or county) repeal
146 the sales tax imposed at a rate of (insert rate of percent) percent for economic
147 development purposes?

148 YES NO

149 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
150 shall become effective on December thirty-first of the calendar year in which such
151 repeal was approved. If a majority of the votes cast on the question by the
152 qualified voters voting thereon are opposed to the repeal, then the sales tax
153 authorized in this section shall remain effective until the question is resubmitted
154 under this section to the qualified voters of the city or county, and the repeal is
155 approved by a majority of the qualified voters voting on the question.

156 [9.] 10. Whenever the governing body of any city or county that has
157 adopted the sales tax authorized in this section receives a petition, signed by ten
158 percent of the registered voters of the city or county voting in the last
159 gubernatorial election, calling for an election to repeal the sales tax imposed under
160 this section, the governing body shall submit to the voters a proposal to repeal the
161 tax. If a majority of the votes cast on the question by the qualified voters voting
162 thereon are in favor of the repeal, that repeal shall become effective on December
163 thirty-first of the calendar year in which such repeal was approved. If a majority

164 of the votes cast on the question by the qualified voters voting thereon are opposed
165 to the repeal, then the tax shall remain effective until the question is resubmitted
166 under this section to the qualified voters and the repeal is approved by a majority
167 of the qualified voters voting on the question. **Effective January 1, 2009, if the**
168 **city or county abolishes the tax, the city or county shall notify the**
169 **director of revenue of the action at least one hundred twenty days prior**
170 **to the effective date of the repeal.**

171 **11. After the effective date of any tax imposed under the**
172 **provisions of this section, the director of revenue shall perform all**
173 **functions incident to the administration, collection, enforcement, and**
174 **operation of the tax and the director of revenue shall collect in addition**
175 **to the sales tax for the state of Missouri the additional tax authorized**
176 **under the authority of this section. The tax imposed under this section**
177 **and the tax imposed under the sales tax law of the state of Missouri**
178 **shall be collected together and reported upon such forms and under**
179 **such administrative rules and regulations as may be prescribed by the**
180 **director of revenue.**

181 **12. There is hereby created the "Economic Development Sales Tax**
182 **Trust Fund", which shall consist of all sales tax revenue collected under**
183 **this section. The state treasurer's office shall be custodian of the trust**
184 **fund, and moneys in the trust fund shall be used solely for the purposes**
185 **authorized in this section. Moneys in the trust fund shall be considered**
186 **nonstate funds under section 15, article IV, constitution of**
187 **Missouri. The state treasurer shall invest moneys in the trust fund in**
188 **the same manner as other funds are invested. Any interest and moneys**
189 **earned on such investments shall be credited to the trust fund. All sales**
190 **taxes collected by the director of revenue under this section on behalf**
191 **of the city or county, less one percent for the cost of collection which**
192 **shall be deposited in the state's general revenue fund after payment of**
193 **premiums for surety bonds as provided in section 32.087, RSMo, shall be**
194 **deposited in the trust fund. The director of revenue shall keep accurate**
195 **records of the amount of moneys in the trust fund that was collected in**
196 **the city or county imposing a sales tax under this section, and the**
197 **records shall be open to the inspection of the officers of each city or**
198 **county and the general public. Not later than the tenth day of each**
199 **month, the director of revenue shall distribute all moneys deposited in**
200 **the trust fund during the preceding month to the city or county.**

201 **13. Except as modified in this section, all provisions of sections**
202 **32.085 and 32.087, RSMo, shall apply to the tax imposed under this**
203 **section.**

67.1545. 1. Any district formed as a political subdivision may impose by
2 resolution a district sales and use tax on all retail sales made in such district
3 which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo,
4 except sales of motor vehicles, trailers, boats or outboard motors [and sales to
5 public utilities]. Any sales and use tax imposed pursuant to this section may be
6 imposed in increments of one-eighth of one percent, up to a maximum of one
7 percent. Such district sales and use tax may be imposed for any district purpose
8 designated by the district in its ballot of submission to its qualified voters; except
9 that, no resolution adopted pursuant to this section shall become effective unless
10 the board of directors of the district submits to the qualified voters of the district,
11 by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this
12 section. If a majority of the votes cast by the qualified voters on the proposed
13 sales tax are in favor of the sales tax, then the resolution is adopted. If a majority
14 of the votes cast by the qualified voters are opposed to the sales tax, then the
15 resolution is void.

16 2. The ballot shall be substantially in the following form:

17 Shall the (insert name of district) Community Improvement
18 District impose a community improvement districtwide sales and use tax at the
19 maximum rate of (insert amount) for a period of (insert
20 number) years from the date on which such tax is first imposed for the purpose of
21 providing revenue for (insert general description of the purpose)?

22 YES NO

23 If you are in favor of the question, place an "X" in the box opposite "YES". If you
24 are opposed to the question, place an "X" in the box opposite "NO".

25 3. Within ten days after the qualified voters have approved the imposition
26 of the sales and use tax, the district shall, in accordance with section 32.087,
27 RSMo, notify the director of the department of revenue. The sales and use tax
28 authorized by this section shall become effective on the first day of the second
29 calendar quarter after the director of the department of revenue receives notice
30 of the adoption of such tax.

31 4. [The director of the department of revenue shall collect any tax adopted
32 pursuant to this section pursuant to section 32.087, RSMo.] **After the effective**
33 **date of any tax imposed under the provisions of this section, the**

34 director of revenue shall perform all functions incident to the
35 administration, collection, enforcement, and operation of the tax and
36 the director of revenue shall collect in addition to the sales tax for the
37 state of Missouri the additional tax authorized under the authority of
38 this section. The tax imposed under this section and the tax imposed
39 under the sales tax law of the state of Missouri shall be collected
40 together and reported upon such forms and under such administrative
41 rules and regulations as may be prescribed by the director of revenue.

42 5. All sales taxes collected by the director of revenue under this
43 section on behalf of any district, less one percent for the cost of
44 collection, which shall be deposited in the state's general revenue fund
45 after payment of premiums for surety bonds as provided in section
46 32.087, RSMo, shall be deposited with the state treasurer in a special
47 trust fund, which is hereby created, to be known as the "Community
48 Improvement District Trust Fund". The moneys in the district
49 community improvement district tax trust fund shall not be deemed to
50 be state funds and shall not be commingled with any funds of the
51 state. The director of revenue shall keep accurate records of the
52 amount of money in the trust fund which was collected in each district
53 imposing a sales tax under this section, and the records shall be open
54 to the inspection of officers of each district and the general public. Not
55 later than the tenth day of each month, the director of revenue shall
56 distribute all moneys deposited in the trust fund during the preceding
57 month by distributing to the district treasurer, or such other officer as
58 may be designated by the district ordinance or order, of each district
59 imposing the tax authorized by this section, the sum, as certified by the
60 director of revenue, due the district.

61 [5.] 6. In each district in which a sales and use tax is imposed pursuant
62 to this section, every retailer shall add such additional tax imposed by the district
63 to such retailer's sale price, and when so added such tax shall constitute a part
64 of the purchase price, shall be a debt of the purchaser to the retailer until paid
65 and shall be recoverable at law in the same manner as the purchase price.

66 [6.] 7. In order to allow retailers to collect and report the sales and use
67 tax authorized by this section as well as all other sales and use taxes required by
68 law in the simplest and most efficient manner possible, a district may establish
69 appropriate brackets to be used in the district imposing a tax pursuant to this
70 section in lieu of the brackets provided in section 144.285, RSMo.

71 [7.] 8. The penalties provided in sections 144.010 to 144.525, RSMo, shall
72 apply to violations of this section.

73 [8.] 9. All revenue received by the district from a sales and use tax
74 imposed pursuant to this section which is designated for a specific purpose shall
75 be deposited into a special trust fund and expended solely for such purpose. Upon
76 the expiration of any sales and use tax adopted pursuant to this section, all funds
77 remaining in the special trust fund shall continue to be used solely for the specific
78 purpose designated in the resolution adopted by the qualified voters. Any funds
79 in such special trust fund which are not needed for current expenditures may be
80 invested by the board of directors pursuant to applicable laws relating to the
81 investment of other district funds.

82 [9.] 10. A district may repeal by resolution any sales and use tax imposed
83 pursuant to this section before the expiration date of such sales and use tax unless
84 the repeal of such sales and use tax will impair the district's ability to repay any
85 liabilities the district has incurred, moneys the district has borrowed or obligation
86 the district has issued to finance any improvements or services rendered for the
87 district.

88 [10.] 11. Notwithstanding the provisions of chapter 115, RSMo, an
89 election for a district sales and use tax under this section shall be conducted in
90 accordance with the provisions of this section.

91 **12. Except as provided in this section, all provisions of sections**
92 **32.085 and 32.087, RSMo, shall apply to the tax imposed under this**
93 **section.**

67.1959. 1. The board, by a majority vote, may submit to the residents of
2 such district a tax of not more than one percent on all retail sales, except sales of
3 [food as defined in section 144.014, RSMo, sales of] new or used motor vehicles[,
4 trailers, boats, or other outboard motors, all utilities, telephone and wireless
5 services, and sales of funeral services], made **on or after January 1, 2009,**
6 within the district which are subject to taxation pursuant to the provisions of
7 sections 144.010 to 144.525, RSMo. Upon the written request of the board to the
8 election authority of the county in which a majority of the area of the district is
9 situated, such election authority shall submit a proposition to the residents of
10 such district at a municipal or statewide primary or general election, or at a
11 special election called for that purpose. Such election authority shall give legal
12 notice as provided in chapter 115, RSMo.

13 2. Such proposition shall be submitted to the voters of the district in

14 substantially the following form at such election:

15 Shall the Tourism Community Enhancement District impose a sales tax of
16 (insert amount) for the purpose of promoting tourism in the district?

17 YES NO

18 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
19 are opposed to the question, place an "X" in the box opposite "No".

20 If a majority of the votes cast on the proposal by the qualified voters of the
21 proposed district voting thereon are in favor of the proposal, then the order shall
22 become effective on the first day of the second calendar quarter after the director
23 of revenue receives notice of adoption of the tax. If the proposal receives less than
24 the required majority, then the board shall have no power to impose the sales tax
25 authorized pursuant to this section unless and until the board shall again have
26 submitted another proposal to authorize the board to impose the sales tax
27 authorized by this section and such proposal is approved by the required majority
28 of the qualified voters of the district.

 67.2000. 1. This section shall be known as the "Exhibition Center and
2 Recreational Facility District Act".

3 2. Whenever not less than fifty owners of real property located within any
4 county of the first classification with more than seventy-one thousand three
5 hundred but less than seventy-one thousand four hundred inhabitants, or any
6 county of the first classification with more than one hundred ninety-eight
7 thousand but less than one hundred ninety-nine thousand two hundred
8 inhabitants, or any county of the first classification with more than eighty-five
9 thousand nine hundred but less than eighty-six thousand inhabitants, or any
10 county of the second classification with more than fifty-two thousand six hundred
11 but less than fifty-two thousand seven hundred inhabitants, or any county of the
12 first classification with more than one hundred four thousand six hundred but less
13 than one hundred four thousand seven hundred inhabitants, or any county of the
14 third classification without a township form of government and with more than
15 seventeen thousand nine hundred but less than eighteen thousand inhabitants,
16 or any county of the first classification with more than thirty-seven thousand but
17 less than thirty-seven thousand one hundred inhabitants, or any county of the
18 third classification without a township form of government and with more than
19 twenty-three thousand five hundred but less than twenty-three thousand six
20 hundred inhabitants, or any county of the third classification without a township
21 form of government and with more than nineteen thousand three hundred but less

22 than nineteen thousand four hundred inhabitants, or any county of the first
23 classification with more than two hundred forty thousand three hundred but less
24 than two hundred forty thousand four hundred inhabitants, desire to create an
25 exhibition center and recreational facility district, the property owners shall file
26 a petition with the governing body of each county located within the boundaries
27 of the proposed district requesting the creation of the district. The district
28 boundaries may include all or part of the counties described in this section. The
29 petition shall contain the following information:

30 (1) The name and residence of each petitioner and the location of the real
31 property owned by the petitioner;

32 (2) A specific description of the proposed district boundaries, including a
33 map illustrating the boundaries; and

34 (3) The name of the proposed district.

35 3. Upon the filing of a petition pursuant to this section, the governing body
36 of any county described in this section may, by resolution, approve the creation of
37 a district. Any resolution to establish such a district shall be adopted by the
38 governing body of each county located within the proposed district, and shall
39 contain the following information:

40 (1) A description of the boundaries of the proposed district;

41 (2) The time and place of a hearing to be held to consider establishment
42 of the proposed district;

43 (3) The proposed sales tax rate to be voted on within the proposed district;
44 and

45 (4) The proposed uses for the revenue generated by the new sales tax.

46 4. Whenever a hearing is held as provided by this section, the governing
47 body of each county located within the proposed district shall:

48 (1) Publish notice of the hearing on two separate occasions in at least one
49 newspaper of general circulation in each county located within the proposed
50 district, with the first publication to occur not more than thirty days before the
51 hearing, and the second publication to occur not more than fifteen days or less
52 than ten days before the hearing;

53 (2) Hear all protests and receive evidence for or against the establishment
54 of the proposed district; and

55 (3) Rule upon all protests, which determinations shall be final.

56 5. Following the hearing, if the governing body of each county located
57 within the proposed district decides to establish the proposed district, it shall

58 adopt an order to that effect; if the governing body of any county located within
59 the proposed district decides to not establish the proposed district, the boundaries
60 of the proposed district shall not include that county. The order shall contain the
61 following:

- 62 (1) The description of the boundaries of the district;
- 63 (2) A statement that an exhibition center and recreational facility district
64 has been established;
- 65 (3) The name of the district;
- 66 (4) The uses for any revenue generated by a sales tax imposed pursuant
67 to this section; and
- 68 (5) A declaration that the district is a political subdivision of the state.

69 6. A district established pursuant to this section may, at a general,
70 primary, or special election, submit to the qualified voters within the district
71 boundaries a sales tax of one-fourth of one percent, for a period not to exceed
72 twenty-five years, on all retail sales within the district, which are subject to
73 taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the acquisition,
74 construction, maintenance, operation, improvement, and promotion of an
75 exhibition center and recreational facilities. The ballot of submission shall be in
76 substantially the following form:

77 Shall the (name of district) impose a sales tax of one-fourth of one
78 percent to fund the acquisition, construction, maintenance, operation,
79 improvement, and promotion of an exhibition center and recreational facilities, for
80 a period of (insert number of years)?

81 YES NO

82 If you are in favor of the question, place an "X" in the box opposite "YES". If you
83 are opposed to the question, place an "X" in the box opposite "NO".

84 If a majority of the votes cast in the portion of any county that is part of the
85 proposed district favor the proposal, then the sales tax shall become effective in
86 that portion of the county that is part of the proposed district on the first day of
87 the [first] **second** calendar quarter [immediately following the election] **after the**
88 **director of revenue receives notification of adoption of the local sales**
89 **tax**. If a majority of the votes cast in the portion of a county that is a part of the
90 proposed district oppose the proposal, then that portion of such county shall not
91 impose the sales tax authorized in this section until after the county governing
92 body has submitted another such sales tax proposal and the proposal is approved
93 by a majority of the qualified voters voting thereon. However, if a sales tax

94 proposal is not approved, the governing body of the county shall not resubmit a
95 proposal to the voters pursuant to this section sooner than twelve months from the
96 date of the last proposal submitted pursuant to this section. If the qualified voters
97 in two or more counties that have contiguous districts approve the sales tax
98 proposal, the districts shall combine to become one district.

99 7. There is hereby created a board of trustees to administer any district
100 created and the expenditure of revenue generated pursuant to this section
101 consisting of four individuals to represent each county approving the district, as
102 provided in this subsection. The governing body of each county located within the
103 district, upon approval of that county's sales tax proposal, shall appoint four
104 members to the board of trustees; at least one shall be an owner of a nonlodging
105 business located within the taxing district, or their designee, at least one shall be
106 an owner of a lodging facility located within the district, or their designee, and all
107 members shall reside in the district except that one nonlodging business owner,
108 or their designee, and one lodging facility owner, or their designee, may reside
109 outside the district. Each trustee shall be at least twenty-five years of age and a
110 resident of this state. Of the initial trustees appointed from each county, two
111 shall hold office for two years, and two shall hold office for four years. Trustees
112 appointed after expiration of the initial terms shall be appointed to a four-year
113 term by the governing body of the county the trustee represents, with the initially
114 appointed trustee to remain in office until a successor is appointed, and shall take
115 office upon being appointed. Each trustee may be reappointed. Vacancies shall
116 be filled in the same manner in which the trustee vacating the office was
117 originally appointed. The trustees shall not receive compensation for their
118 services, but may be reimbursed for their actual and necessary expenses. The
119 board shall elect a chair and other officers necessary for its membership. Trustees
120 may be removed if:

121 (1) By a two-thirds vote, the board moves for the member's removal and
122 submits such motion to the governing body of the county from which the trustee
123 was appointed; and

124 (2) The governing body of the county from which the trustee was
125 appointed, by a majority vote, adopts the motion for removal.

126 8. The board of trustees shall have the following powers, authority, and
127 privileges:

128 (1) To have and use a corporate seal;

129 (2) To sue and be sued, and be a party to suits, actions, and proceedings;

130 (3) To enter into contracts, franchises, and agreements with any person or
131 entity, public or private, affecting the affairs of the district, including contracts
132 with any municipality, district, or state, or the United States, and any of their
133 agencies, political subdivisions, or instrumentalities, for the funding, including
134 without limitation interest rate exchange or swap agreements, planning,
135 development, construction, acquisition, maintenance, or operation of a single
136 exhibition center and recreational facilities or to assist in such
137 activity. "Recreational facilities" means locations explicitly designated for public
138 use where the primary use of the facility involves participation in hobbies or
139 athletic activities;

140 (4) To borrow money and incur indebtedness and evidence the same by
141 certificates, notes, or debentures, to issue bonds and use any one or more lawful
142 funding methods the district may obtain for its purposes at such rates of interest
143 as the district may determine. Any bonds, notes, and other obligations issued or
144 delivered by the district may be secured by mortgage, pledge, or deed of trust of
145 any or all of the property and income of the district. Every issue of such bonds,
146 notes, or other obligations shall be payable out of property and revenues of the
147 district and may be further secured by other property of the district, which may
148 be pledged, assigned, mortgaged, or a security interest granted for such payment,
149 without preference or priority of the first bonds issued, subject to any agreement
150 with the holders of any other bonds pledging any specified property or
151 revenues. Such bonds, notes, or other obligations shall be authorized by resolution
152 of the district board, and shall bear such date or dates, and shall mature at such
153 time or times, but not in excess of thirty years, as the resolution shall
154 specify. Such bonds, notes, or other obligations shall be in such denomination,
155 bear interest at such rate or rates, be in such form, either coupon or registered,
156 be issued as current interest bonds, compound interest bonds, variable rate bonds,
157 convertible bonds, or zero coupon bonds, be issued in such manner, be payable in
158 such place or places, and be subject to redemption as such resolution may provide,
159 notwithstanding section 108.170, RSMo. The bonds, notes, or other obligations
160 may be sold at either public or private sale, at such interest rates, and at such
161 price or prices as the district shall determine;

162 (5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber
163 real and personal property in furtherance of district purposes;

164 (6) To refund any bonds, notes, or other obligations of the district without
165 an election. The terms and conditions of refunding obligations shall be

166 substantially the same as those of the original issue, and the board shall provide
167 for the payment of interest at not to exceed the legal rate, and the principal of
168 such refunding obligations in the same manner as is provided for the payment of
169 interest and principal of obligations refunded;

170 (7) To have the management, control, and supervision of all the business
171 and affairs of the district, and the construction, installation, operation, and
172 maintenance of district improvements therein; to collect rentals, fees, and other
173 charges in connection with its services or for the use of any of its facilities;

174 (8) To hire and retain agents, employees, engineers, and attorneys;

175 (9) To receive and accept by bequest, gift, or donation any kind of property;

176 (10) To adopt and amend bylaws and any other rules and regulations not
177 in conflict with the constitution and laws of this state, necessary for the carrying
178 on of the business, objects, and affairs of the board and of the district; and

179 (11) To have and exercise all rights and powers necessary or incidental to
180 or implied from the specific powers granted by this section.

181 9. [There is hereby created the "Exhibition Center and Recreational
182 Facility District Sales Tax Trust Fund", which shall consist of all sales tax
183 revenue collected pursuant to this section. The director of revenue shall be
184 custodian of the trust fund, and moneys in the trust fund shall be used solely for
185 the purposes authorized in this section. Moneys in the trust fund shall be
186 considered nonstate funds pursuant to section 15, article IV, Constitution of
187 Missouri. The director of revenue shall invest moneys in the trust fund in the
188 same manner as other funds are invested. Any interest and moneys earned on
189 such investments shall be credited to the trust fund. All sales taxes collected by
190 the director of revenue pursuant to this section on behalf of the district, less one
191 percent for the cost of collection which shall be deposited in the state's general
192 revenue fund after payment of premiums for surety bonds as provided in section
193 32.087, RSMo, shall be deposited in the trust fund. The director of revenue shall
194 keep accurate records of the amount of moneys in the trust fund which was
195 collected in the district imposing a sales tax pursuant to this section, and the
196 records shall be open to the inspection of the officers of each district and the
197 general public. Not later than the tenth day of each month, the director of
198 revenue shall distribute all moneys deposited in the trust fund during the
199 preceding month to the district. The director of revenue may authorize refunds
200 from the amounts in the trust fund and credited to the district for erroneous
201 payments and overpayments made, and may redeem dishonored checks and drafts

202 deposited to the credit of the district.

203 10. The sales tax authorized by this section is in addition to all other sales
204 taxes allowed by law.] **After the effective date of any tax imposed under**
205 **the provisions of this section, the director of revenue shall perform all**
206 **functions incident to the administration, collection, enforcement, and**
207 **operation of the tax and the director of revenue shall collect in addition**
208 **to the sales tax for the state of Missouri the additional tax authorized**
209 **under the authority of this section. The tax imposed under this section**
210 **and the tax imposed under the sales tax law of the state of Missouri**
211 **shall be collected together and reported upon such forms and under**
212 **such administrative rules and regulations as may be prescribed by the**
213 **director of revenue.**

214 10. All sales taxes collected by the director of revenue under this
215 section on behalf of any district, less one percent for the cost of
216 collection, which shall be deposited in the state's general revenue fund
217 after payment of premiums for surety bonds as provided in section
218 32.087, RSMo, shall be deposited with the state treasurer in a special
219 trust fund, which is hereby created, to be known as the "Exhibition
220 Center and Recreational Facility District Trust Fund". The moneys in
221 the district exhibition center and recreational facilities trust fund tax
222 trust fund shall not be deemed to be state funds and shall not be
223 commingled with any funds of the state. The director of revenue shall
224 keep accurate records of the amount of money in the trust fund that was
225 collected in each district imposing a sales tax under this section, and
226 the records shall be open to the inspection of officers of each district
227 and the general public. Not later than the tenth day of each month, the
228 director of revenue shall distribute all moneys deposited in the trust
229 fund during the preceding month by distributing to the district
230 treasurer, or such other officer as may be designated by the district
231 ordinance or order, of each district imposing the tax authorized by this
232 section, the sum, as certified by the director of revenue, due the district.

233 11. The director of revenue may authorize the state treasurer to
234 make refunds from the amounts in the trust fund and credited to any
235 city or county for erroneous payments and overpayments made, and
236 may redeem dishonored checks and drafts deposited to the credit of
237 such counties. Each city or county shall notify the director of revenue
238 at least ninety days prior to the effective date of the expiration of the

239 sales tax authorized by this section and the director of revenue may
 240 order retention in the trust fund, for a period of one year, of two
 241 percent of the amount collected after receipt of such notice to cover
 242 possible refunds or overpayment of such tax and to redeem dishonored
 243 checks and drafts deposited to the credit of such accounts. After one
 244 year has elapsed after the date of expiration of the tax authorized by
 245 this section in such city or county, the director of revenue shall remit
 246 the balance in the account to the city or county and close the account
 247 of that city or county. The director of revenue shall notify each city or
 248 county of each instance of any amount refunded or any check redeemed
 249 from receipts due the city or county.

250 12. Except as modified in this section, all provisions of sections 32.085 and
 251 32.087, RSMo, apply to the sales tax imposed pursuant to this section.

252 [11.] 13. Any sales tax imposed pursuant to this section shall not extend
 253 past the initial term approved by the voters unless an extension of the sales tax
 254 is submitted to and approved by the qualified voters in each county in the manner
 255 provided in this section. Each extension of the sales tax shall be for a period not
 256 to exceed twenty years. The ballot of submission for the extension shall be in
 257 substantially the following form:

258 Shall the (name of district) extend the sales tax
 259 of one-fourth of one percent for a period of (insert number of years) years to
 260 fund the acquisition, construction, maintenance, operation, improvement, and
 261 promotion of an exhibition center and recreational facilities?

262 YES NO

263 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 264 are opposed to the question, place an "X" in the box opposite "NO".

265 If a majority of the votes cast favor the extension, then the sales tax shall remain
 266 in effect at the rate and for the time period approved by the voters. If a sales tax
 267 extension is not approved, the district may submit another sales tax proposal as
 268 authorized in this section, but the district shall not submit such a proposal to the
 269 voters sooner than twelve months from the date of the last extension submitted.

270 [12.] 14. Once the sales tax authorized by this section is abolished or
 271 terminated by any means, all funds remaining in the trust fund shall be used
 272 solely for the purposes approved in the ballot question authorizing the sales
 273 tax. The sales tax shall not be abolished or terminated while the district has any
 274 financing or other obligations outstanding; provided that any new financing, debt,

275 or other obligation or any restructuring or refinancing of an existing debt or
276 obligation incurred more than ten years after voter approval of the sales tax
277 provided in this section or more than ten years after any voter-approved extension
278 thereof shall not cause the extension of the sales tax provided in this section or
279 cause the final maturity of any financing or other obligations outstanding to be
280 extended. Any funds in the trust fund which are not needed for current
281 expenditures may be invested by the district in the securities described in
282 subdivisions (1) to (12) of subsection 1 of section 30.270, RSMo, or repurchase
283 agreements secured by such securities. If the district abolishes the sales tax, the
284 district shall notify the director of revenue of the action at least ninety days before
285 the effective date of the repeal, and the director of revenue may order retention
286 in the trust fund, for a period of one year, of two percent of the amount collected
287 after receipt of such notice to cover possible refunds or overpayment of the sales
288 tax and to redeem dishonored checks and drafts deposited to the credit of such
289 accounts. After one year has elapsed after the effective date of abolition of the
290 sales tax in the district, the director of revenue shall remit the balance in the
291 account to the district and close the account of the district. The director of
292 revenue shall notify the district of each instance of any amount refunded or any
293 check redeemed from receipts due the district.

294 [13.] 15. In the event that the district is dissolved or terminated by any
295 means, the governing bodies of the counties in the district shall appoint a person
296 to act as trustee for the district so dissolved or terminated. Before beginning the
297 discharge of duties, the trustee shall take and subscribe an oath to faithfully
298 discharge the duties of the office, and shall give bond with sufficient security,
299 approved by the governing bodies of the counties, to the use of the dissolved or
300 terminated district, for the faithful discharge of duties. The trustee shall have
301 and exercise all powers necessary to liquidate the district, and upon satisfaction
302 of all remaining obligations of the district, shall pay over to the county treasurer
303 of each county in the district and take receipt for all remaining moneys in
304 amounts based on the ratio the levy of each county bears to the total levy for the
305 district in the previous three years or since the establishment of the district,
306 whichever time period is shorter. Upon payment to the county treasurers, the
307 trustee shall deliver to the clerk of the governing body of any county in the district
308 all books, papers, records, and deeds belonging to the dissolved district.

67.2030. 1. The governing authority of any city of the fourth classification
2 with more than one thousand six hundred but less than one thousand seven

3 hundred inhabitants and located in any county of the first classification with more
 4 than seventy-three thousand seven hundred but less than seventy-three thousand
 5 eight hundred inhabitants is hereby authorized to impose, by ordinance or order,
 6 a sales tax in the amount not to exceed one-half of one percent on all retail sales
 7 made in such city which are subject to taxation pursuant to sections 144.010 to
 8 144.525, RSMo, for the promotion of tourism in such city. The tax authorized by
 9 this section shall be in addition to any and all other sales taxes allowed by law,
 10 except that no ordinance or order imposing a sales tax pursuant to this section
 11 shall be effective unless the governing authority of the city submits to the
 12 qualified voters of the city, at any municipal or state general, primary, or special
 13 election, a proposal to authorize the governing authority of the city to impose a
 14 tax.

15 2. The ballot of submission shall be in substantially the following form:

16 "Shall the city of (city's name) impose a citywide
 17 sales tax of (insert amount) for the purpose of promoting tourism in the
 18 city?"

19 YES NO

20 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 21 are opposed to the question, place an "X" in the box opposite "NO".

22 If a majority of the votes cast on the proposal by the qualified voters voting
 23 thereon are in favor of the proposal, then the ordinance or order and any
 24 amendments thereto shall be in effect on the first day of the [first] **second**
 25 calendar quarter immediately [following notification to] **after** the director of the
 26 department of revenue [of the election approving the proposal] **receives**
 27 **notification of adoption of the local sales tax**. If a proposal receives less
 28 than the required majority, then the governing authority of the city shall have no
 29 power to impose the sales tax unless and until the governing authority of the city
 30 has submitted another proposal to authorize the imposition of the sales tax
 31 authorized by this section and such proposal is approved by the required majority
 32 of the qualified voters voting thereon. However, in no event shall a proposal
 33 pursuant to this section be submitted to the voters sooner than twelve months
 34 from the date of the last proposal pursuant to this section.

35 3. [On and after the effective date of any tax authorized in this section, the
 36 city may adopt one of the two following provisions for the collection and
 37 administration of the tax:

38 (1) The city may adopt rules and regulations for the internal collection of

39 such tax by the city officers usually responsible for collection and administration
40 of city taxes; or

41 (2) The city may enter into an agreement with the director of revenue of
42 the state of Missouri for the purpose of collecting the tax authorized in this
43 section. In the event any city enters into an agreement with the director of
44 revenue of the state of Missouri for the collection of the tax authorized in this
45 section, the director of revenue shall perform all functions incident to the
46 administration, collection, enforcement, and operation of such tax, and the director
47 of revenue shall collect the additional tax authorized in this section. The tax
48 authorized in this section shall be collected and reported upon such forms and
49 under such administrative rules and regulations as may be prescribed by the
50 director of revenue, and the director of revenue shall retain an amount not to
51 exceed one percent for cost of collection.

52 4. If a tax is imposed by a city pursuant to this section, the city may collect
53 a penalty of one percent and interest not to exceed two percent per month on
54 unpaid taxes which shall be considered delinquent thirty days after the last day
55 of each quarter.] **After the effective date of any tax imposed under the**
56 **provisions of this section, the director of revenue shall perform all**
57 **functions incident to the administration, collection, enforcement, and**
58 **operation of the tax and the director of revenue shall collect in addition**
59 **to the sales tax for the state of Missouri the additional tax authorized**
60 **under the authority of this section. The tax imposed under this section**
61 **and the tax imposed under the sales tax law of the state of Missouri**
62 **shall be collected together and reported upon such forms and under**
63 **such administrative rules and regulations as may be prescribed by the**
64 **director of revenue.**

65 4. **There is hereby created the "City Tourism Sales Tax Trust**
66 **Fund", which shall consist of all sales tax revenue collected pursuant to**
67 **this section. The state treasurer's office shall be custodian of the trust**
68 **fund, and moneys in the trust fund shall be used solely for the purposes**
69 **authorized in this section. Moneys in the trust fund shall be considered**
70 **nonstate funds under section 15, article IV, constitution of**
71 **Missouri. The state treasurer shall invest moneys in the trust fund in**
72 **the same manner as other funds are invested. Any interest and moneys**
73 **earned on such investments shall be credited to the trust fund. All sales**
74 **taxes collected by the director of revenue under this section on behalf**

75 of the city, less one percent for the cost of collection, which shall be
 76 deposited in the state's general revenue fund after payment of
 77 premiums for surety bonds as provided in section 32.087, RSMo, shall be
 78 deposited in the trust fund. The director of revenue shall keep accurate
 79 records of the amount of moneys in the trust fund that was collected in
 80 the city imposing a sales tax under this section, and the records shall
 81 be open to the inspection of the officers of each city and the general
 82 public. Not later than the tenth day of each month, the director of
 83 revenue shall distribute all moneys deposited in the trust fund during
 84 the preceding month to the city. The director of revenue may authorize
 85 refunds from the amounts in the trust fund and credited to the city or
 86 county for erroneous payments and overpayments made, and may
 87 redeem dishonored checks and drafts deposited to the credit of the city.

88 5. (1) The governing authority of any city that has adopted any sales tax
 89 pursuant to this section shall, upon filing of a petition calling for the repeal of
 90 such sales tax signed by at least ten percent of the qualified voters in the city,
 91 submit the question of repeal of the sales tax to the qualified voters at any
 92 primary or general election. The ballot of submission shall be in substantially the
 93 following form:

94 Shall (insert name of city) repeal the sales tax
 95 of (insert rate of percent) percent for tourism purposes now in effect in
 96 (insert name of city)?

97 YES NO

98 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
 99 are opposed to the question, place an "X" in the box opposite "No".

100 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
 101 shall become effective on December thirty-first of the calendar year in which such
 102 repeal was approved. **Effective January 1, 2009, if the city or county**
 103 **abolishes the tax, the city or county shall notify the director of revenue**
 104 **of the action at least one hundred twenty days prior to the effective**
 105 **date of the repeal.**

106 (2) Once the tax is repealed as provided in this section, all funds
 107 remaining in any trust fund or account established to receive revenues generated
 108 by the tax shall be used solely for the original stated purpose of the tax. Any
 109 funds which are not needed for current expenditures may be invested by the
 110 governing authority in accordance with applicable laws relating to the investment

111 of other city funds.

112 (3) The governing authority of a city repealing a tax pursuant to this
113 section shall notify the director of revenue of the action at least forty-five days
114 before the effective date of the repeal and the director of revenue may order
115 retention in any trust fund created in the state treasury associated with the tax,
116 for a period of one year, of two percent of the amount collected after receipt of such
117 notice to cover refunds or overpayment of the tax and to redeem dishonored checks
118 and drafts deposited to the credit of such accounts. After one year has elapsed
119 after the effective date of repeal of the tax in the city, the director of revenue shall
120 remit the balance in the trust fund to the city and close the account of that
121 city. The director of revenue shall notify each city of each instance of any amount
122 refunded or any check redeemed from receipts due the city.

123 (4) In the event that the repeal of a sales tax pursuant to this section
124 dissolves or terminates a taxing district, the governing authority of the city shall
125 appoint a person to act as trustee for the district so dissolved or
126 terminated. Before beginning the discharge of duties, the trustee shall take and
127 subscribe an oath to faithfully discharge the duties of the office, and shall give
128 bond with sufficient security, approved by the governing authority of the city, to
129 the use of the dissolved or terminated district, for the faithful discharge of
130 duties. The trustee shall have and exercise all powers necessary to liquidate the
131 district, and upon satisfaction of all remaining obligations of the district, shall pay
132 over to the city treasurer or the equivalent official and take receipt for all
133 remaining moneys. Upon payment to the city treasurer, the trustee shall deliver
134 to the clerk of the governing authority of the city all books, papers, records, and
135 deeds belonging to the dissolved district.

136 6. Except as modified in this section, all provisions of sections 32.085 and
137 32.087, RSMo, shall apply to the tax imposed pursuant to this section.

67.2525. 1. Each member of the board of directors shall have the following
2 qualifications:

3 (1) As to those subdistricts in which there are registered voters, a resident
4 registered voter in the subdistrict that he or she represents, or be a property
5 owner or, as to those subdistricts in which there are not registered voters who are
6 residents, a property owner or representative of a property owner in the
7 subdistrict he or she represents;

8 (2) Be at least twenty-one years of age and a registered voter in the
9 district.

10 2. The district shall be subdivided into at least five but not more than
11 fifteen subdistricts, which shall be represented by one representative on the
12 district board of directors. All board members shall have terms of four years,
13 including the initial board of directors. All members shall take office upon being
14 appointed and shall remain in office until a successor is appointed by the mayor
15 or chairman of the municipality in which the district is located, or elected by the
16 property owners in those subdistricts without registered voters.

17 3. For those subdistricts which contain one or more registered voters, the
18 mayor or chairman of the city, town, or village shall, with the consent of the
19 governing body, appoint a registered voter residing in the subdistrict to the board
20 of directors.

21 4. For those subdistricts which contain no registered voters, the property
22 owners who collectively own one or more parcels of real estate comprising more
23 than half of the land situated in each subdistrict shall meet and shall elect a
24 representative to serve upon the board of directors. The clerk of the city, town,
25 or village in which the petition was filed shall, unless waived in writing by all
26 property owners in the subdistrict, give notice by causing publication to be made
27 once a week for two consecutive weeks in a newspaper of general circulation in the
28 county, the last publication of which shall be at least ten days before the day of
29 the meeting required by this section, to call a meeting of the owners of real
30 property within the subdistrict at a day and hour specified in a public place in the
31 city, town, or village in which the petition was filed for the purpose of electing
32 members of the board of directors.

33 5. The property owners, when assembled, shall organize by the election of
34 a temporary chairman and secretary of the meeting who shall conduct the election.
35 An election shall be conducted for each subdistrict, with the eligible property
36 owners voting in that subdistrict. At the election, each acre of real property
37 within the subdistrict shall represent one share, and each owner, including
38 corporations and other entities, may have one vote in person or for every acre of
39 real property owned by such person within the subdistrict. Each voter which is
40 not an individual shall determine how to cast its vote as provided for in its articles
41 of incorporation, articles of organization, articles of partnership, bylaws, or other
42 document which sets forth an appropriate mechanism for the determination of the
43 entity's vote. If a voter has no such mechanism, then its vote shall be cast as
44 determined by a majority of the persons who run the day-to-day affairs of the
45 voter. The results of the meeting shall be certified by the temporary chairman

46 and secretary to the municipal clerk if the district is established by a municipality
47 described in this section, or to the circuit clerk if the district is established by a
48 circuit court.

49 6. Successor boards shall be appointed or elected, depending upon the
50 presence or absence of resident registered voters, by the mayor or chairman of a
51 city, town, or village described in this section, or the property owners as set forth
52 above; provided, however, that elections held by the property owners after the
53 initial board is elected shall be certified to the municipal clerk of the city, town,
54 or village where the district is located and the board of directors of the district.

55 7. Should a vacancy occur on the board of directors, the mayor or chairman
56 of the city, town, or village if there are registered voters within the subdistrict, or
57 a majority of the owners of real property in a subdistrict if there are not registered
58 voters in the subdistrict, shall have the authority to appoint or elect, as set forth
59 in this section, an interim director to complete any unexpired term of a director
60 caused by resignation or disqualification.

61 8. The board shall possess and exercise all of the district's legislative and
62 executive powers, including:

63 (1) The power to fund, promote and provide educational, civic, musical,
64 theatrical, cultural, concerts, lecture series, and related or similar entertainment
65 events or activities, and fund, promote, plan, design, construct, improve, maintain,
66 and operate public improvements, transportation projects, and related facilities
67 within the district;

68 (2) The power to accept and disburse tax or other revenue collected in the
69 district; and

70 (3) The power to receive property by gift or otherwise.

71 9. Within thirty days after the selection of the initial directors, the board
72 shall meet. At its first meeting and annually thereafter the board shall elect a
73 chairman from its members.

74 10. The board shall appoint an executive director, district secretary,
75 treasurer, and such other officers or employees as it deems necessary.

76 11. At the first meeting, the board, by resolution, shall define the first and
77 subsequent fiscal years of the district, and shall adopt a corporate seal.

78 12. A simple majority of the board shall constitute a quorum. If a quorum
79 exists, a majority of those voting shall have the authority to act in the name of the
80 board, and approve any board resolution.

81 13. At the first meeting, the board, by resolution, shall receive the

82 certification of the election regarding the sales tax, and may impose the sales tax
83 in all subdistricts approving the imposing sales tax. In those subdistricts that
84 approve the sales tax, the sales tax shall become effective on the first day of the
85 [first] **second** calendar quarter [immediately following the action by the district
86 board of directors imposing the tax] **after the director receives notification**
87 **of adoption of the local sales tax.**

88 14. Each director shall devote such time to the duties of the office as the
89 faithful discharge thereof may require and be reimbursed for his or her actual
90 expenditures in the performance of his or her duties on behalf of the
91 district. Directors may be compensated, but such compensation shall not exceed
92 one hundred dollars per month.

93 15. In addition to all other powers granted by sections 67.2500 to 67.2530,
94 the district shall have the following general powers:

95 (1) To sue and be sued in its own name, and to receive service of process,
96 which shall be served upon the district secretary;

97 (2) To fix compensation of its employees and contractors;

98 (3) To enter into contracts, franchises, and agreements with any person or
99 entity, public or private, affecting the affairs of the district, including contracts
100 with any municipality, district, or state, or the United States, and any of their
101 agencies, political subdivisions, or instrumentalities, for the funding, including
102 without limitation, interest rate exchange or swap agreements, planning,
103 development, construction, acquisition, maintenance, or operation of a district
104 facility or to assist in such activity;

105 (4) To acquire, develop, construct, equip, transfer, donate, lease, exchange,
106 mortgage, and encumber real and personal property in furtherance of district
107 purposes;

108 (5) To collect and disburse funds for its activities;

109 (6) To collect taxes and other revenues;

110 (7) To borrow money and incur indebtedness and evidence the same by
111 certificates, notes, bonds, debentures, or refunding of any such obligations for the
112 purpose of paying all or any part of the cost of land, construction, development,
113 or equipping of any facilities or operations of the district;

114 (8) To own or lease real or personal property for use in connection with the
115 exercise of powers pursuant to this subsection;

116 (9) To provide for the election or appointment of officers, including a
117 chairman, treasurer, and secretary. Officers shall not be required to be residents

118 of the district, and one officer may hold more than one office;

119 (10) To hire and retain agents, employees, engineers, and attorneys;

120 (11) To enter into entertainment contracts binding the district and artists,
121 agencies, or performers, management contracts, contracts relating to the booking
122 of entertainment and the sale of tickets, and all other contracts which relate to the
123 purposes of the district;

124 (12) To contract with a local government, a corporation, partnership, or
125 individual regarding funding, promotion, planning, designing, constructing,
126 improving, maintaining, or operating a project or to assist in such activity;

127 (13) To contract for transfer to a city, town, or village such district
128 facilities and improvements free of cost or encumbrance on such terms set forth
129 by contract;

130 (14) To exercise such other powers necessary or convenient for the district
131 to accomplish its purposes which are not inconsistent with its express powers.

132 16. A district may at any time authorize or issue notes, bonds, or other
133 obligations for any of its powers or purposes. Such notes, bonds, or other
134 obligations:

135 (1) Shall be in such amounts as deemed necessary by the district, including
136 costs of issuance thereof;

137 (2) Shall be payable out of all or any portion of the revenues or other
138 assets of the district;

139 (3) May be secured by any property of the district which may be pledged,
140 assigned, mortgaged, or otherwise encumbered for payment;

141 (4) Shall be authorized by resolution of the district, and if issued by the
142 district, shall bear such date or dates, and shall mature at such time or times, but
143 not in excess of forty years, as the resolution shall specify;

144 (5) Shall be in such denomination, bear interest at such rates, be in such
145 form, be issued as current interest bonds, compound interest bonds, variable rate
146 bonds, convertible bonds, or zero coupon bonds, be issued in such manner, be
147 payable in such place or places and subject to redemption as such resolution may
148 provide; and

149 (6) May be sold at either public or private sale, at such interest rates, and
150 at such price or prices as the district shall determine.

151 The provisions of this subsection are applicable to the district notwithstanding the
152 provisions of section 108.170, RSMo.

67.2530. 1. Any note, bond, or other indebtedness of the district may be

2 refunded at any time by the district by issuing refunding bonds in such amount
3 as the district may deem necessary. Such bonds shall be subject to and shall have
4 the benefit of the foregoing provisions regarding notes, bonds, and other
5 obligations. Without limiting the generality of the foregoing, refunding bonds may
6 include amounts necessary to finance any premium, unpaid interest, and costs of
7 issuance in connection with the refunding bonds. Any such refunding may be
8 effected whether the bonds to be refunded then shall have matured or thereafter
9 shall mature, either by sale of the refunding bonds and the application of the
10 proceeds thereof to the payment of the obligations being refunded or the exchange
11 of the refunding bonds for the obligations being refunded with the consent of the
12 holders of the obligations being refunded.

13 2. Notes, bonds, or other indebtedness of the district shall be exclusively
14 the responsibility of the district payable solely out of the district funds and
15 property and shall not constitute a debt or liability of the state of Missouri or any
16 agency or political subdivision of the state. Any notes, bonds, or other
17 indebtedness of the district shall state on their face that they are not obligations
18 of the state of Missouri or any agency or political subdivision thereof other than
19 the district.

20 3. Any district may by resolution impose a district sales tax of up to
21 one-half of one percent on all retail sales made in such district that are subject to
22 taxation pursuant to the provisions of sections 144.010 to 144.525, RSMo. Upon
23 voter approval, and receiving the necessary certifications from the governing body
24 of the municipality in which the district is located, or from the circuit court if the
25 district was formed by the circuit court, the board of directors shall have the
26 power to impose a sales tax at its first meeting, or any meeting thereafter. Voter
27 approval of the question of the imposing sales tax shall be in accordance with
28 section 67.2520. [The sales tax shall become effective in those subdistricts that
29 approve the sales tax on the first day of the first calendar quarter immediately
30 following the passage of a resolution by the board of directors imposing the sales
31 tax.

32 4. In each district in which a sales tax has been imposed in the manner
33 provided by this section, every retailer shall add the tax imposed by the district
34 pursuant to this section to the retailer's sale price, and when so added, such tax
35 shall constitute a part of the price, shall be a debt of the purchaser to the retailer
36 until paid, and shall be recoverable at law in the same manner as the purchase
37 price.

38 5. In order to permit sellers required to collect and report the sales tax
39 authorized by this section to collect the amount required to be reported and
40 remitted, but not to change the requirements of reporting or remitting tax or to
41 serve as a levy of the tax, and in order to avoid fractions of pennies, the district
42 may establish appropriate brackets which shall be used in the district imposing
43 a tax pursuant to this section in lieu of those brackets provided in section 144.285,
44 RSMo.

45 6.] 4. All revenue received by a district from the sales tax authorized by
46 this section shall be deposited in a special trust fund and shall be used solely for
47 the purposes of the district. Any funds in such special trust fund which are not
48 needed for the district's current expenditures may be invested by the district
49 board of directors in accordance with applicable laws relating to the investment
50 of other district funds.

51 [7.] 5. The sales tax may be imposed at a rate of up to one-half of one
52 percent on the receipts from the sale at retail of all tangible personal property or
53 taxable services at retail within the district adopting such tax, if such property
54 and services are subject to taxation by the state of Missouri pursuant to the
55 provisions of sections 144.010 to 144.525, RSMo. Any district sales tax imposed
56 pursuant to this section shall be imposed at a rate that shall be uniform
57 throughout the subdistricts approving the sales tax.

58 [8. The resolution imposing the sales tax pursuant to this section shall
59 impose upon all sellers a tax for the privilege of engaging in the business of selling
60 tangible personal property or rendering taxable services at retail to the extent and
61 in the manner provided in sections 144.010 to 144.525, RSMo, and the rules and
62 regulations of the director of revenue issued pursuant thereto; except that the rate
63 of the tax shall be the rate imposed by the resolution as the sales tax and the tax
64 shall be reported and returned to and collected by the district.

65 9. (1) On and after the effective date of any sales tax imposed pursuant
66 to this section, the district shall perform all functions incident to the
67 administration, collection, enforcement, and operation of the tax. The sales tax
68 imposed pursuant to this section shall be collected and reported upon such forms
69 and under such administrative rules and regulations as may be prescribed by the
70 district.

71 (2)] 6. **After the effective date of any tax imposed under the**
72 **provisions of this section, the director of revenue shall perform all**
73 **functions incident to the administration, collection, enforcement, and**

74 **operation of the tax and the director of revenue shall collect in addition**
75 **to the sales tax for the state of Missouri the additional tax authorized**
76 **under the authority of this section. The tax imposed under this section**
77 **and the tax imposed under the sales tax law of the state of Missouri**
78 **shall be collected together and reported upon such forms and under**
79 **such administrative rules and regulations as may be prescribed by the**
80 **director of revenue.**

81 **7. All sales taxes collected by the director of revenue under this**
82 **section on behalf of any district, less one percent for the cost of**
83 **collection, which shall be deposited in the state's general revenue fund**
84 **after payment of premiums for surety bonds as provided in section**
85 **32.087, RSMo, shall be deposited with the state treasurer in a special**
86 **trust fund, which is hereby created, to be known as the "Theater,**
87 **Cultural Arts, and Entertainment District Trust Fund". The moneys in**
88 **the district theater, cultural arts, and entertainment tax trust fund shall**
89 **not be deemed to be state funds and shall not be commingled with any**
90 **funds of the state. The director of revenue shall keep accurate records**
91 **of the amount of money in the trust fund that was collected in each**
92 **district imposing a sales tax under this section, and the records shall be**
93 **open to the inspection of officers of each district and the general**
94 **public. Not later than the tenth day of each month, the director of**
95 **revenue shall distribute all moneys deposited in the trust fund during**
96 **the preceding month by distributing to the district treasurer, or such**
97 **other officer as may be designated by the district ordinance or order,**
98 **of each district imposing the tax authorized by this section, the sum, as**
99 **certified by the director of revenue, due the district.**

100 **8. All [such] sales taxes [collected by the district] shall be deposited by the**
101 **district in a special fund to be expended for the purposes authorized in this**
102 **section. The district shall keep accurate records of the amount of money which**
103 **was collected pursuant to this section, and the records shall be open to the**
104 **inspection of officers of each district and the general public.**

105 **[(3) The district may contract with the municipality that the district is**
106 **within for the municipality to collect any revenue received by the district and,**
107 **after deducting the cost of such collection, but not to exceed one percent of the**
108 **total amount collected, deposit such revenue in a special trust account. Such**
109 **revenue and interest may be applied by the municipality to expenses, costs, or**
110 **debt service of the district at the direction of the district as set forth in a contract**

111 between the municipality and the district.

112 10. (1) All applicable provisions contained in sections 144.010 to 144.525,
113 RSMo, governing the state sales tax, sections 32.085 and 32.087, RSMo, and
114 section 32.057, RSMo, the uniform confidentiality provision, shall apply to the
115 collection of the tax imposed by this section, except as modified in this section.

116 (2) All exemptions granted to agencies of government, organizations,
117 persons, and to the sale of certain articles and items of tangible personal property
118 and taxable services pursuant to the provisions of sections 144.010 to 144.525,
119 RSMo, are hereby made applicable to the imposition and collection of the tax
120 imposed by this section.

121 (3) The same sales tax permit, exemption certificate, and retail certificate
122 required by sections 144.010 to 144.525, RSMo, for the administration and
123 collection of the state sales tax shall satisfy the requirements of this section, and
124 no additional permit or exemption certificate or retail certificate shall be required;
125 except that the district may prescribe a form of exemption certificate for an
126 exemption from the tax imposed by this section.

127 (4) All discounts allowed the retailer pursuant to the provisions of the
128 state sales tax laws for the collection of and for payment of taxes pursuant to such
129 laws are hereby allowed and made applicable to any taxes collected pursuant to
130 the provisions of this section.

131 (5) The penalties provided in section 32.057, RSMo, and sections 144.010
132 to 144.525, RSMo, for violation of those sections are hereby made applicable to
133 violations of this section.

134 (6) For the purpose of a sales tax imposed by a resolution pursuant to this
135 section, all retail sales shall be deemed to be consummated at the place of
136 business of the retailer unless the tangible personal property sold is delivered by
137 the retailer or the retailer's agent to an out-of-state destination or to a common
138 carrier for delivery to an out-of-state destination. In the event a retailer has more
139 than one place of business in this state which participates in the sale, the sale
140 shall be deemed to be consummated at the place of business of the retailer where
141 the initial order for the tangible personal property is taken, even though the order
142 must be forwarded elsewhere for acceptance, approval of credit, shipment, or
143 billing. A sale by a retailer's employee shall be deemed to be consummated at the
144 place of business from which the employee works.

145 (7)] **9.** Subsequent to the initial approval by the voters and
146 implementation of a sales tax in the district, the rate of the sales tax may be

147 increased, but not to exceed a rate of one-half of one percent on retail sales as
 148 provided in this subsection. The election shall be conducted in accordance with
 149 section 67.2520; provided, however, that the district board of directors may place
 150 the question of the increase of the sales tax before the voters of the district by
 151 resolution, and the municipal clerk of the city, town, or village which originally
 152 conducted the incorporation of the district, or the circuit clerk of the court which
 153 originally conducted the incorporation of the district, shall conduct the subsequent
 154 election. In subsequent elections, the election judges shall certify the election
 155 results to the district board of directors. The ballot of submission shall be in
 156 substantially the following form:

157 Shall (name of district) increase the (insert
 158 amount) percent district sales tax now in effect to..... (insert amount) in the
 159 (name of district)?

160 YES NO

161 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 162 are opposed to the question, place an "X" in the box opposite "NO".

163 If a majority of the votes cast on the proposal by the qualified voters of the district
 164 voting thereon are in favor of the increase, the increase shall become effective
 165 [December thirty-first of the calendar year in which such increase was approved]
 166 **on the first day of the second calendar quarter after the director of**
 167 **revenue receives notification of the local sales tax increase.**

168 [11.] 10. (1) There shall not be any election as provided for in this section
 169 while the district has any financing or other obligations outstanding.

170 (2) The board, when presented with a petition signed by at least one-third
 171 of the registered voters in a district that voted in the last gubernatorial election,
 172 or signed by at least two-thirds of property owners of the district, calling for an
 173 election to dissolve and repeal the tax shall submit the question to the voters
 174 using the same procedure by which the imposing tax was voted. The ballot of
 175 submission shall be in substantially the following form:

176 Shall (name of district) dissolve and repeal the
 177 (insert amount) percent district sales tax now in effect in the
 178 (name of district)?

179 YES NO

180 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 181 are opposed to the question, place an "X" in the box opposite "NO".

182 Such subsequent elections for the repeal of the sales tax shall be conducted in

183 accordance with section 67.2520; provided, however, that the district board of
 184 directors may place the question of the repeal of the sales tax before the voters of
 185 the district, and the municipal clerk of the city, town, or village which originally
 186 conducted the incorporation of the district, or the circuit clerk of the court which
 187 originally conducted the incorporation of the district, shall conduct the subsequent
 188 election. In subsequent elections the election judges shall certify the election
 189 results to the district board of directors.

190 (3) If a majority of the votes cast on the proposal by the qualified voters
 191 of the district voting thereon are in favor of repeal, that repeal shall become
 192 effective December thirty-first of the calendar year in which such repeal was
 193 approved or after the repayment of the district's indebtedness, whichever occurs
 194 later. **Effective January 1, 2009, if the district abolishes the tax, the**
 195 **district shall notify the director of revenue of the action at least one**
 196 **hundred twenty days prior to the effective date of the repeal.**

197 [12.] 11. (1) At such time as the board of directors of the district
 198 determines that further operation of the district is not in the best interests of the
 199 inhabitants of the district, and that the district should dissolve, the board shall
 200 submit for a vote in an election held throughout the district the question of
 201 whether the district should be abolished. The question shall be submitted in
 202 substantially the following form:

203 Shall the theater, cultural arts, and entertainment
 204 district be abolished?

205 YES NO

206 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 207 are opposed to the question, place an "X" in the box opposite "NO".

208 (2) The district board shall not propose the question to abolish the district
 209 while there are outstanding claims or causes of action pending against the district,
 210 while the district liabilities exceed its assets, while indebtedness of the district is
 211 outstanding, or while the district is insolvent, in receivership or under the
 212 jurisdiction of the bankruptcy court. Prior to submitting the question to abolish
 213 the district to a vote of the entire district, the state auditor shall audit the district
 214 to determine the financial status of the district, and whether the district may be
 215 abolished pursuant to law. The vote on the abolition of the district shall be
 216 conducted by the municipal clerk of the city, town, or village in which the district
 217 is located. The procedure shall be the same as in section 67.2520, except that the
 218 question shall be determined by the qualified voters of the entire district. No

219 individual subdistrict may be abolished, except at such time as the district is
220 abolished.

221 (3) While the district still exists, it shall continue to accrue all revenues
222 to which it is entitled at law.

223 (4) Upon receipt by the board of directors of the district of the certification
224 by the city, town, or village in which the district is located that the majority of
225 those voting within the entire district have voted to abolish the district, and if the
226 state auditor has determined that the district's financial condition is such that it
227 may be abolished pursuant to law, then the board of directors of the district shall:

228 (a) Sell any remaining district real or personal property it wishes, and
229 then transfer the proceeds and any other real or personal property owned by the
230 district to the city, town, or village in which the district is located, including
231 revenues due and owing the district, for its further use and disposition;

232 (b) Terminate the employment of any remaining district employees, and
233 otherwise conclude its affairs;

234 (c) At a public meeting of the district, declare by a resolution of the board
235 of directors passed by a majority vote that the district has been abolished effective
236 that date;

237 (d) Cause copies of that resolution under seal to be filed with the secretary
238 of state and the city, town, or village in which the district is located.

239 Upon the completion of the final act specified in this subsection, the legal
240 existence of the district shall cease.

241 (5) The legal existence of the district shall not cease for a period of two
242 years after voter approval of the abolition.

243 **12. Except as provided in this section, all provisions of sections**
244 **32.085 and 32.087, RSMo, shall apply to the tax imposed under this**
245 **section.**

94.578. 1. In addition to the sales tax authorized in section 94.577, the
2 governing body of any home rule city with more than one hundred fifty-one
3 thousand five hundred but less than one hundred fifty-one thousand six hundred
4 inhabitants is hereby authorized to impose, by order or ordinance, a sales tax on
5 all retail sales made within the city which are subject to sales tax under chapter
6 144, RSMo. The tax authorized in this section may be imposed at a rate of
7 one-eighth, one-fourth, three-eighths, or one-half of one percent, but shall not
8 exceed one-half of one percent, shall not be imposed for longer than three years,
9 and shall be imposed solely for the purpose of funding the construction, operation,

10 and maintenance of capital improvements in the city's center city. The governing
 11 body may issue bonds for the funding of such capital improvements, which will be
 12 retired by the revenues received from the sales tax authorized by this section. The
 13 order or ordinance shall not become effective unless the governing body of the city
 14 submits to the voters residing within the city at a state or municipal general,
 15 primary, or special election a proposal to authorize the governing body of the city
 16 to impose a tax under this section. The tax authorized in this section shall be in
 17 addition to all other sales taxes imposed by law, and shall be stated separately
 18 from all other charges and taxes.

19 2. The ballot submission for the tax authorized in this section shall be in
 20 substantially the following form:

21 Shall (insert the name of the city) impose a sales tax
 22 at a rate of (insert rate of percent) percent for a capital improvements
 23 purposes in the city's center city for a period of (insert number of years,
 24 not to exceed three) years?

25 YES NO

26 If a majority of the votes cast on the question by the qualified voters voting
 27 thereon are in favor of the question, then the tax shall become effective on the
 28 first day of the second calendar quarter after the director of revenue receives
 29 notice of the adoption of the sales tax. If a majority of the votes cast on the
 30 question by the qualified voters voting thereon are opposed to the question, then
 31 the tax shall not become effective unless and until the question is resubmitted
 32 under this section to the qualified voters and such question is approved by a
 33 majority of the qualified voters voting on the question. In no case shall a tax be
 34 resubmitted to the qualified voters of the city sooner than twelve months from the
 35 date of the proposal under this section.

36 3. Any sales tax imposed under this section shall be administered,
 37 collected, enforced, and operated as required in [section] **sections 32.085 and**
 38 **32.087, RSMo.** All revenue generated by the tax shall be deposited in a special
 39 trust fund and shall be used solely for the designated purposes. If the tax is
 40 repealed, all funds remaining in the special trust fund shall continue to be used
 41 solely for the designated purposes. Any funds in the special trust fund which are
 42 not needed for current expenditures shall be invested in the same manner as other
 43 funds are invested. Any interest and moneys earned on such investments shall
 44 be credited to the fund.

45 4. The director of revenue may authorize the state treasurer to make

46 refunds from the amounts in the trust fund and credited to any city for erroneous
 47 payments and overpayments made, and may redeem dishonored checks and drafts
 48 deposited to the credit of such cities. If any city abolishes the tax, the city shall
 49 notify the director of revenue of the action at least ninety days before the effective
 50 date of the repeal, and the director of revenue may order retention in the trust
 51 fund, for a period of one year, of two percent of the amount collected after receipt
 52 of such notice to cover possible refunds or overpayment of the tax and to redeem
 53 dishonored checks and drafts deposited to the credit of such accounts. After one
 54 year has elapsed after the effective date of abolition of the tax in such city, the
 55 director of revenue shall remit the balance in the account to the city and close the
 56 account of that city. The director of revenue shall notify each city of each instance
 57 of any amount refunded.

58 5. The governing body of any city that has adopted the sales tax authorized
 59 in this section may submit the question of repeal of the tax to the voters on any
 60 date available for elections for the city. The ballot of submission shall be in
 61 substantially the following form:

62 Shall (insert the name of the city) repeal the sales tax
 63 imposed at a rate of (insert rate of percent) percent for capital
 64 improvements purposes in the city's center city?

65 YES NO

66 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
 67 shall become effective on December thirty-first of the calendar year in which such
 68 repeal was approved. If a majority of the votes cast on the question by the
 69 qualified voters voting thereon are opposed to the repeal, then the sales tax
 70 authorized in this section shall remain effective until the question is resubmitted
 71 under this section to the qualified voters, and the repeal is approved by a majority
 72 of the qualified voters voting on the question. **Effective January 1, 2009, if the**
 73 **city or county abolishes the tax, the city or county shall notify the**
 74 **director of revenue of the action at least one hundred twenty days prior**
 75 **to the effective date of the repeal.**

76 6. Whenever the governing body of any city that has adopted the sales tax
 77 authorized in this section receives a petition, signed by ten percent of the
 78 registered voters of the city voting in the last gubernatorial election, calling for an
 79 election to repeal the sales tax imposed under this section, the governing body
 80 shall submit to the voters of the city a proposal to repeal the tax. If a majority of
 81 the votes cast on the question by the qualified voters voting thereon are in favor

82 of the repeal, that repeal shall become effective on December thirty-first of the
83 calendar year in which such repeal was approved. If a majority of the votes cast
84 on the question by the qualified voters voting thereon are opposed to the repeal,
85 then the tax shall remain effective until the question is resubmitted under this
86 section to the qualified voters and the repeal is approved by a majority of the
87 qualified voters voting on the question.

88 **7. Except as provided in this section, all provisions of section**
89 **32.085 and 32.087, RSMo, apply to the sales tax imposed under this**
90 **section.**

94.605. 1. Any city as defined in section 94.600 may by a majority vote of
2 its governing body impose a sales tax for transportation purposes enumerated in
3 sections 94.600 to 94.655.

4 2. The sales tax may be imposed at a rate not to exceed one-half of one
5 percent on the receipts from the sale at retail of all tangible personal property or
6 taxable services at retail within any city adopting such tax, if such property and
7 services are subject to taxation by the state of Missouri under the provisions of
8 sections 144.010 to 144.525, RSMo.

9 [3. If the boundaries of a city in which such sales tax has been imposed
10 shall thereafter be changed or altered, the city or county clerk shall forward to the
11 director of revenue by United States registered mail or certified mail a certified
12 copy of the ordinance adding or detaching territory from the city. The ordinance
13 shall reflect the effective date thereof, and shall be accompanied by a map of the
14 city clearly showing the territory added thereto or detached therefrom. Upon
15 receipt of the ordinance and map, the tax imposed by sections 94.600 to 94.655
16 shall be effective in the added territory or abolished in the detached territory on
17 the effective date of the change of the city boundary.]

94.660. 1. The governing body of any city not within a county and any
2 county of the first classification having a charter form of government with a
3 population of over nine hundred thousand inhabitants may propose, by ordinance
4 or order, a transportation sales tax of up to one percent for submission to the
5 voters of that city or county at an authorized election date selected by the
6 governing body.

7 2. Any sales tax approved under this section shall be imposed on the
8 receipts from the sale at retail of all tangible personal property or taxable services
9 within the city or county adopting the tax, if such property and services are
10 subject to taxation by the state of Missouri under sections 144.010 to 144.525,

11 RSMo.

12 3. The ballot of submission shall contain, but need not be limited to, the
13 following language:

14 Shall the county/city of (county's or city's name) impose
15 a county/city-wide sales tax of percent for the purpose of providing a source
16 of funds for public transportation purposes?

17 YES NO

18 Except as provided in subsection 4 of this section, if a majority of the votes cast
19 in that county or city not within a county on the proposal by the qualified voters
20 voting thereon are in favor of the proposal, then the tax shall go into effect on the
21 first day of the [next] **second** calendar quarter beginning after [its adoption and
22 notice to] the director of revenue[, but no sooner than thirty days after such
23 adoption and notice] **receives notice of adoption of the local sales tax**. If
24 a majority of the votes cast in that county or city not within a county by the
25 qualified voters voting are opposed to the proposal, then the additional sales tax
26 shall not be imposed in that county or city not within a county unless and until
27 the governing body of that county or city not within a county shall have submitted
28 another proposal to authorize the local option transportation sales tax authorized
29 in this section, and such proposal is approved by a majority of the qualified voters
30 voting on it. In no event shall a proposal pursuant to this section be submitted
31 to the voters sooner than twelve months from the date of the last proposal.

32 4. No tax shall go into effect under this section in any city not within a
33 county or any county of the first classification having a charter form of
34 government with a population over nine hundred thousand inhabitants unless and
35 until both such city and such county approve the tax.

36 5. The provisions of subsection 4 of this section requiring both the city and
37 county to approve a transportation sales tax before a transportation sales tax may
38 go into effect in either jurisdiction shall not apply to any transportation sales tax
39 submitted to and approved by the voters in such city or such county on or after
40 August 28, 2007.

41 6. All sales taxes collected by the director of revenue under this section on
42 behalf of any city or county, less one percent for cost of collection which shall be
43 deposited in the state's general revenue fund after payment of premiums for
44 surety bonds, shall be deposited with the state treasurer in a special trust fund,
45 which is hereby created, to be known as the "County Public Transit Sales Tax
46 Trust Fund". The sales taxes shall be collected as provided in section 32.087,

47 RSMo. The moneys in the trust fund shall not be deemed to be state funds and
48 shall not be commingled with any funds of the state. The director of revenue shall
49 keep accurate records of the amount of money in the trust fund which was
50 collected in each city or county approving a sales tax under this section, and the
51 records shall be open to inspection by officers of the city or county and the
52 public. Not later than the tenth day of each month the director of revenue shall
53 distribute all moneys deposited in the trust fund during the preceding month to
54 the city or county which levied the tax, and such funds shall be deposited with the
55 treasurer of each such city or county and all expenditures of funds arising from
56 the county public transit sales tax trust fund shall be by an appropriation act to
57 be enacted by the governing body of each such county or city not within a county.

58 7. The revenues derived from any transportation sales tax under this
59 section shall be used only for the planning, development, acquisition, construction,
60 maintenance and operation of public transit facilities and systems other than
61 highways.

62 8. The director of revenue may authorize the state treasurer to make
63 refunds from the amount in the trust fund and credited to any city or county for
64 erroneous payments and overpayments made, and may redeem dishonored checks
65 and drafts deposited to the credit of such cities or counties. If any city or county
66 abolishes the tax, the city or county shall notify the director of revenue of the
67 action at least ninety days prior to the effective date of the repeal and the director
68 of revenue may order retention in the trust fund, for a period of one year, of two
69 percent of the amount collected after receipt of such notice to cover possible
70 refunds or overpayment of the tax and to redeem dishonored checks and drafts
71 deposited to the credit of such accounts. After one year has elapsed after the
72 effective date of abolition of the tax in such city or county, the director of revenue
73 shall authorize the state treasurer to remit the balance in the account to the city
74 or county and close the account of that city or county. The director of revenue
75 shall notify each city or county of each instance of any amount refunded or any
76 check redeemed from receipts due the city or county.

94.705. 1. Any city may by a majority vote of its governing body impose
2 a sales tax for transportation purposes enumerated in sections 94.700 to 94.755,
3 and issue bonds for transportation purposes which shall be retired by the revenues
4 received from the sales tax authorized by this section. The tax authorized by this
5 section shall be in addition to any and all other sales taxes allowed by law. No
6 ordinance imposing a sales tax pursuant to the provisions of this section shall

7 become effective unless the council or other governing body submits to the voters
 8 of the city, at a city or state general, primary, or special election, a proposal to
 9 authorize the council or other governing body of the city to impose such a sales tax
 10 and, if such tax is to be used to retire bonds authorized pursuant to this section,
 11 to authorize such bonds and their retirement by such tax; except that no vote shall
 12 be required in any city that imposed and collected such tax under sections 94.600
 13 to 94.655, before January 5, 1984. The ballot of the submission shall contain, but
 14 is not limited to, the following language:

15 (1) If the proposal submitted involves only authorization to impose the tax
 16 authorized by this section, the following language:

17 Shall the city of (city's name) impose a sales tax of
 18 (insert amount) for transportation purposes?

19 YES NO

20 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
 21 are opposed to the question, place an "X" in the box opposite "No";

22 (2) If the proposal submitted involves authorization to issue bonds and
 23 repay such bonds with revenues from the tax authorized by this section, the
 24 following language:

25 Shall the city of (city's name) issue bonds in
 26 the amount of (insert amount) for transportation purposes and impose a
 27 sales tax of (insert amount) to repay such bonds?

28 YES NO

29 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
 30 are opposed to the question, place an "X" in the box opposite "No".

31 If a majority of the votes cast on the proposal, provided in subdivision (1) of this
 32 subsection, by the qualified voters voting thereon are in favor of the proposal, then
 33 the ordinance and any amendments thereto shall be in effect. If the four-sevenths
 34 majority of the votes, as required by the Missouri Constitution, article VI, section
 35 26, cast on the proposal, provided in subdivision (2) of this subsection to issue
 36 bonds and impose a sales tax to retire such bonds, by the qualified voters voting
 37 thereon are in favor of the proposal, then the ordinance and any amendments
 38 thereto shall be in effect. If a majority of the votes cast on the proposal, as
 39 provided in subdivision (1) of this subsection, by the qualified voters voting
 40 thereon are opposed to the proposal, then the council or other governing body of
 41 the city shall have no power to impose the tax authorized in subdivision (1) of this
 42 subsection unless and until the council or other governing body of the city submits

43 another proposal to authorize the council or other governing body of the city to
44 impose the tax and such proposal is approved by a majority of the qualified voters
45 voting thereon. If more than three-sevenths of the votes cast by the qualified
46 voters voting thereon are opposed to the proposal, as provided in subdivision (2)
47 of this subsection to issue bonds and impose a sales tax to retire such bonds, then
48 the council or other governing body of the city shall have no power to issue any
49 bonds or to impose the tax authorized in subdivision (2) of this subsection unless
50 and until the council or other governing body of the city submits another proposal
51 to authorize the council or other governing body of the city to issue such bonds or
52 impose the tax to retire such bonds and such proposal is approved by
53 four-sevenths of the qualified voters voting thereon.

54 2. No incorporated municipality located wholly or partially within any first
55 class county operating under a charter form of government and having a
56 population of over nine hundred thousand inhabitants shall impose such a sales
57 tax for that part of the city, town or village that is located within such first class
58 county, in the event such a first class county imposes a sales tax under the
59 provisions of sections 94.600 to 94.655.

60 3. The sales tax may be imposed at a rate not to exceed one-half of one
61 percent on the receipts from the sale at retail of all tangible personal property or
62 taxable services at retail within any city adopting such tax, if such property and
63 services are subject to taxation by the state of Missouri under the provisions of
64 sections 144.010 to 144.525, RSMo.

65 4. [If the boundaries of a city in which such sales tax has been imposed
66 shall thereafter be changed or altered, the city clerk shall forward to the director
67 of revenue by United States registered mail or certified mail a certified copy of the
68 ordinance adding or detaching territory from the city. The ordinance shall reflect
69 the effective date thereof, and shall be accompanied by a map of the city clearly
70 showing the territory added thereto or detached therefrom. Upon receipt of the
71 ordinance and map, the tax imposed by sections 94.700 to 94.755 shall be effective
72 in the added territory or abolished in the detached territory on the effective date
73 of the change of the city boundary.

74 5.] No tax imposed pursuant to this section for the purpose of retiring
75 bonds issued pursuant to this section may be terminated until all of such bonds
76 have been retired.

94.900. 1. The governing body of any city of the third classification with
2 more than ten thousand eight hundred but less than ten thousand nine hundred

3 inhabitants located at least partly within a county of the first classification with
 4 more than one hundred eighty-four thousand but less than one hundred
 5 eighty-eight thousand inhabitants is hereby authorized to impose, by ordinance
 6 or order, a sales tax in the amount of up to one-half of one percent on all retail
 7 sales made in such city which are subject to taxation under the provisions of
 8 sections 144.010 to 144.525, RSMo, for the purpose of improving the public safety
 9 for such city, including but not limited to expenditures on equipment, city
 10 employee salaries and benefits, and facilities for police, fire and emergency
 11 medical providers. The tax authorized by this section shall be in addition to any
 12 and all other sales taxes allowed by law, except that no ordinance or order
 13 imposing a sales tax pursuant to the provisions of this section shall be effective
 14 unless the governing body of the city submits to the voters of the city, at a county
 15 or state general, primary or special election, a proposal to authorize the governing
 16 body of the city to impose a tax.

17 2. If the proposal submitted involves only authorization to impose the tax
 18 authorized by this section, the ballot of submission shall contain, but need not be
 19 limited to, the following language:

20 Shall the city of (city's name) impose a citywide sales
 21 tax of (insert amount) for the purpose of improving the public safety of
 22 the city?

23 YES NO

24 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
 25 are opposed to the question, place an "X" in the box opposite "No".

26 If a majority of the votes cast on the proposal by the qualified voters voting
 27 thereon are in favor of the proposal submitted pursuant to this subsection, then
 28 the ordinance or order and any amendments thereto shall be in effect on the first
 29 day of the second quarter [immediately following the election approving the
 30 proposal] **after the director of revenue receives notification of adoption**
 31 **of the local sales tax**. If a proposal receives less than the required majority,
 32 then the governing body of the city shall have no power to impose the sales tax
 33 herein authorized unless and until the governing body of the city shall again have
 34 submitted another proposal to authorize the governing body of the city to impose
 35 the sales tax authorized by this section and such proposal is approved by the
 36 required majority of the qualified voters voting thereon. However, in no event
 37 shall a proposal pursuant to this section be submitted to the voters sooner than
 38 twelve months from the date of the last proposal pursuant to this section.

39 3. All revenue received by a city from the tax authorized under the
40 provisions of this section shall be deposited in a special trust fund and shall be
41 used solely for improving the public safety for such city for so long as the tax shall
42 remain in effect.

43 4. Once the tax authorized by this section is abolished or is terminated by
44 any means, all funds remaining in the special trust fund shall be used solely for
45 improving the public safety for the city. Any funds in such special trust fund
46 which are not needed for current expenditures may be invested by the governing
47 body in accordance with applicable laws relating to the investment of other city
48 funds.

49 5. All sales taxes collected by the director of the department of revenue
50 under this section on behalf of any city, less one percent for cost of collection
51 which shall be deposited in the state's general revenue fund after payment of
52 premiums for surety bonds as provided in section 32.087, RSMo, shall be deposited
53 in a special trust fund, which is hereby created in the state treasury, to be known
54 as the "City Public Safety Sales Tax Trust Fund". The moneys in the trust fund
55 shall not be deemed to be state funds and shall not be commingled with any funds
56 of the state. The provisions of section 33.080, RSMo, to the contrary
57 notwithstanding, money in this fund shall not be transferred and placed to the
58 credit of the general revenue fund. The director of the department of revenue
59 shall keep accurate records of the amount of money in the trust and which was
60 collected in each city imposing a sales tax pursuant to this section, and the records
61 shall be open to the inspection of officers of the city and the public. Not later than
62 the tenth day of each month the director of the department of revenue shall
63 distribute all moneys deposited in the trust fund during the preceding month to
64 the city which levied the tax; such funds shall be deposited with the city treasurer
65 of each such city, and all expenditures of funds arising from the trust fund shall
66 be by an appropriation act to be enacted by the governing body of each such
67 city. Expenditures may be made from the fund for any functions authorized in the
68 ordinance or order adopted by the governing body submitting the tax to the voters.

69 6. The director of the department of revenue may authorize the state
70 treasurer to make refunds from the amounts in the trust fund and credited to any
71 city for erroneous payments and overpayments made, and may redeem dishonored
72 checks and drafts deposited to the credit of such cities. If any city abolishes the
73 tax, the city shall notify the director of the department of revenue of the action at
74 least ninety days prior to the effective date of the repeal and the director of the

75 department of revenue may order retention in the trust fund, for a period of one
76 year, of two percent of the amount collected after receipt of such notice to cover
77 possible refunds or overpayment of the tax and to redeem dishonored checks and
78 drafts deposited to the credit of such accounts. After one year has elapsed after
79 the effective date of abolition of the tax in such city, the director of the department
80 of revenue shall remit the balance in the account to the city and close the account
81 of that city. The director of the department of revenue shall notify each city of
82 each instance of any amount refunded or any check redeemed from receipts due
83 the city.

84 7. Except as modified in this section, all provisions of sections 32.085 and
85 32.087, RSMo, shall apply to the tax imposed pursuant to this section.

144.010. 1. The following words, terms, and phrases when used in sections
2 144.010 to 144.525 have the meanings ascribed to them in this section, except
3 when the context indicates a different meaning:

4 (1) "Admission" includes seats and tables, reserved or otherwise, and other
5 similar accommodations and charges made therefor and amount paid for
6 admission, exclusive of any admission tax imposed by the federal government or
7 by sections 144.010 to 144.525;

8 (2) **"Bundled transaction", is the retail sale of two or more**
9 **products, except real property and services to real property, where the**
10 **products are otherwise distinct and identifiable, and the products are**
11 **sold for one non-itemized price. A "bundled transaction" does not**
12 **include the sale of any products in which the sales price varies, or is**
13 **negotiable, based on the selection by the purchaser of the products**
14 **included in the transaction. "Distinct and identifiable products" does**
15 **not include:**

16 (a) **Packaging, such as containers, boxes, sacks, bags, bottles, or**
17 **other materials such as wrapping, labels, tags, and instruction guides**
18 **that accompany the retail sale of the products and are incidental or**
19 **immaterial to the retail sale thereof. Examples of packaging that are**
20 **incidental or immaterial include grocery sacks, shoe boxes, dry cleaning**
21 **garment bags, and express delivery envelopes and boxes;**

22 (b) **A product provided free of charge with the required purchase**
23 **of another product. A product is provided free of charge if the sales**
24 **price of the product purchased does not vary depending on the**
25 **inclusion of the product provided free of charge;**

26 (c) Items included in the member state's definition of sales price,
27 under appendix C of the agreement. The term "one non-itemized price"
28 does not include a price that is separately identified by product on
29 binding sales or other supporting sales-related documentation made
30 available to the customer in paper or electronic form including, but not
31 limited to, an invoice, bill of sale, receipt, contract, service agreement,
32 lease agreement, periodic notice of rates and services, rate card, or
33 price list. A transaction that otherwise meets the definition of a
34 bundled transaction as defined in this subdivision, is not a bundled
35 transaction if it is:

36 a. The retail sale of tangible personal property and a service
37 where the tangible personal property is essential to the use of the
38 service, and is provided exclusively in connection with the service, and
39 the true object of the transaction is the service; or

40 b. The retail sale of services where one service is provided that
41 is essential to the use of receipt of a second service and the first service
42 is provided exclusively in connection with the second service and the
43 true object of the transaction is the second service; or

44 c. A transaction that includes taxable products and nontaxable
45 products and the purchase price or sales price of the taxable products
46 is de minimis. "De minimis" means the seller's purchase price or sales
47 price of the taxable products is ten percent or less of the total purchase
48 price or sales price of the bundled products.

49 Sellers shall use either the purchase price or the sales price of the
50 products to determine if the taxable products are de minimis. Sellers
51 may not use a combination of the purchase price and sales price of the
52 products to determine if the taxable products are de minimis. Sellers
53 shall use the full term of a service contract to determine if the taxable
54 products are de minimis; or

55 d. The retail sale of exempt tangible personal property and
56 taxable tangible personal property where:

57 i. The transaction included food and food ingredients, drugs,
58 durable medical equipment, mobility enhancing equipment, over-the-
59 counter drugs, prosthetic devices, all as defined in appendix C, or
60 medical supplies; and

61 ii. The seller's purchase price or sales price of the taxable
62 tangible personal property is fifty percent or less of the total purchase

63 **price or sales price of the bundled tangible personal property. Sellers**
64 **may not use a combination of the purchase price and sales price of the**
65 **tangible personal property when making the fifty percent determination**
66 **for a transaction;**

67 (3) "Business" includes any activity engaged in by any person, or caused
68 to be engaged in by him, with the object of gain, benefit or advantage, either direct
69 or indirect, and the classification of which business is of such character as to be
70 subject to the terms of sections 144.010 to 144.525. The isolated or occasional sale
71 of tangible personal property, service, substance, or thing, by a person not engaged
72 in such business, does not constitute engaging in business within the meaning of
73 sections 144.010 to 144.525 unless the total amount of the gross receipts from such
74 sales, exclusive of receipts from the sale of tangible personal property by persons
75 which property is sold in the course of the partial or complete liquidation of a
76 household, farm or nonbusiness enterprise, exceeds three thousand dollars in any
77 calendar year. The provisions of this subdivision shall not be construed to make
78 any sale of property which is exempt from sales tax or use tax on June 1, 1977,
79 subject to that tax thereafter;

80 (4) "**Delivery charges**", **charges by the seller of personal property**
81 **or services for preparation and delivery to a location designated by the**
82 **purchaser of personal property or services including, but not limited to,**
83 **transportation, shipping, postage, handling, crating, and packing;**

84 [(3)] (5) "Gross receipts", except as provided in section 144.012, means the
85 total amount of the sale price of the sales at retail including any services other
86 than charges incident to the extension of credit that are a part of such sales made
87 by the businesses herein referred to, capable of being valued in money, whether
88 received in money or otherwise; except that, the term "gross receipts" shall not
89 include the sale price of property returned by customers when the full sale price
90 thereof is refunded either in cash or by credit. In determining any tax due under
91 sections 144.010 to 144.525 on the gross receipts, charges incident to the extension
92 of credit shall be specifically exempted. For the purposes of sections 144.010 to
93 144.525 the total amount of the sale price above mentioned shall be deemed to be
94 the amount received. It shall also include the lease or rental consideration where
95 the right to continuous possession or use of any article of tangible personal
96 property is granted under a lease or contract and such transfer of possession
97 would be taxable if outright sale were made and, in such cases, the same shall be
98 taxable as if outright sale were made and considered as a sale of such article, and

99 the tax shall be computed and paid by the lessee upon the rentals paid;

100 **(6) "Lease or rental", any transfer of possession or control of**
101 **tangible personal property for a fixed or indeterminate term for**
102 **consideration. A lease or rental may include future options to purchase**
103 **or extend;**

104 **(a) Lease or rental does not include:**

105 **a. A transfer of possession or control of property under a security**
106 **agreement or deferred payment plan that requires the transfer of title**
107 **upon completion of the required payments;**

108 **b. A transfer or possession or control of property under an**
109 **agreement that requires the transfer of title upon completion of**
110 **required payments and payment of an option price does not exceed the**
111 **greater of one hundred dollars or one percent of the total required**
112 **payments; or**

113 **c. Providing tangible personal property along with an operator**
114 **for a fixed or indeterminate period of time. A condition of this**
115 **exclusion is that the operator is necessary for the equipment to perform**
116 **as designed. For the purpose of this subsection, an operator must do**
117 **more than maintain, inspect, or set-up the tangible personal property;**

118 **(b) Lease or rental does include agreements covering motor**
119 **vehicles and trailers where the amount of consideration may be**
120 **increased or decreased by reference to the amount realized upon sale**
121 **or disposition of the property as defined in 26 U.S.C. 7701(h)(1), as**
122 **amended;**

123 **(c) This definition shall be used for sales and use tax purposes**
124 **regardless of whether a transaction is characterized as a lease or rental**
125 **under generally accepted accounting principles, the Internal Revenue**
126 **Code, the Missouri revised statutes, or other provisions of federal, state,**
127 **or local law;**

128 **(d) This definition will be applied only prospectively from the**
129 **date of adoption and will have no retroactive impact on existing leases**
130 **or rentals;**

131 **[(4)] (7) "Livestock", cattle, calves, sheep, swine, ratite birds, including**
132 **but not limited to, ostrich and emu, aquatic products as defined in section 277.024,**
133 **RSMo, llamas, alpaca, buffalo, elk documented as obtained from a legal source and**
134 **not from the wild, goats, horses, other equine, or rabbits raised in confinement for**
135 **human consumption;**

136 [(5)] (8) "Motor vehicle leasing company" [shall be], a company obtaining
137 a permit from the director of revenue to operate as a motor vehicle leasing
138 company. Not all persons renting or leasing trailers or motor vehicles need to
139 obtain such a permit; however, no person failing to obtain such a permit may avail
140 itself of the optional tax provisions of subsection 5 of section 144.070, as
141 hereinafter provided;

142 [(6)] (9) "Person" [includes], any individual, firm, copartnership, joint
143 adventure, association, corporation, municipal or private, and whether organized
144 for profit or not, state, county, political subdivision, state department, commission,
145 board, bureau or agency, except the state transportation department, estate, trust,
146 business trust, receiver or trustee appointed by the state or federal court,
147 syndicate, or any other group or combination acting as a unit, and the plural as
148 well as the singular number;

149 (10) **"Product that is intended to be sold ultimately for final use**
150 **or consumption", tangible personal property, or any service that is**
151 **subject to state or local sales or use taxes, or any tax that is**
152 **substantially equivalent to these taxes, in this state or any other state;**

153 (11) **"Purchase price", applies to the measure subject to use tax**
154 **and has the same meaning as sales price;**

155 [(7)] (12) "Purchaser" [means], a person who purchases tangible personal
156 property or to whom are rendered services, receipts from which are taxable under
157 sections 144.010 to 144.525;

158 [(8)] (13) "Research or experimentation activities" [are], the development
159 of an experimental or pilot model, plant process, formula, invention or similar
160 property, and the improvement of existing property of such type. Research or
161 experimentation activities do not include activities such as ordinary testing or
162 inspection of materials or products for quality control, efficiency surveys,
163 advertising promotions or research in connection with literary, historical or
164 similar projects;

165 [(9)] (14) "Sale" or "sales" includes, installment and credit sales, and the
166 exchange of properties as well as the sale thereof for money, every closed
167 transaction constituting a sale, and means any transfer, exchange or barter,
168 conditional or otherwise, in any manner or by any means whatsoever, of tangible
169 personal property for valuable consideration and the rendering, furnishing or
170 selling for a valuable consideration any of the substances, things and services
171 herein designated and defined as taxable under the terms of sections 144.010 to

172 144.525;

173 [(10)] **(15)** "Sale at retail" [means any transfer made by any person
174 engaged in business as defined herein of the ownership of, or title to, tangible
175 personal property to the purchaser, for use or consumption and not for resale in
176 any form as tangible personal property, for a valuable consideration; except that,
177 for the purposes of sections 144.010 to 144.525 and the tax imposed thereby: (i)
178 purchases of tangible personal property made by duly licensed physicians,
179 dentists, optometrists and veterinarians and used in the practice of their
180 professions shall be deemed to be purchases for use or consumption and not for
181 resale; and (ii) the selling of computer printouts, computer output or microfilm or
182 microfiche and computer-assisted photo compositions to a purchaser to enable the
183 purchaser to obtain for his or her own use the desired information contained in
184 such computer printouts, computer output on microfilm or microfiche and
185 computer-assisted photo compositions shall be considered as the sale of a service
186 and not as the sale of tangible personal property], **any sale, lease, or rental for**
187 **any purpose other than for resale, sublease, or subrent. Purchases of**
188 **tangible personal property made by duly licensed physicians, dentists,**
189 **optometrists, and veterinarians and used in the practice of their**
190 **professions shall be deemed to be purchases for use or consumption and**
191 **not for resale.** Where necessary to conform to the context of sections 144.010 to
192 144.525 and the tax imposed thereby, the term "sale at retail" shall be construed
193 to embrace:

194 (a) Sales of admission tickets, cash admissions, charges and fees to or in
195 places of amusement, entertainment and recreation, games and athletic events;

196 (b) Sales of electricity, electrical current, water and gas, natural or
197 artificial, to domestic, commercial or industrial consumers;

198 (c) Sales of local and long distance telecommunications service to
199 telecommunications subscribers and to others through equipment of
200 telecommunications subscribers for the transmission of messages and
201 conversations, and the sale, rental or leasing of all equipment or services
202 pertaining or incidental thereto;

203 (d) Sales of service for transmission of messages by telegraph companies;

204 (e) Sales or charges for all rooms, meals and drinks furnished at any hotel,
205 motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist camp,
206 tourist cabin, or other place in which rooms, meals or drinks are regularly served
207 to the public;

208 (f) Sales of tickets by every person operating a railroad, sleeping car,
209 dining car, express car, boat, airplane, and such buses and trucks as are licensed
210 by the division of motor carrier and railroad safety of the department of economic
211 development of Missouri, engaged in the transportation of persons for hire;

212 **(16) "Sales price", applies to the measure subject to sales tax and**
213 **means the total amount of consideration, including cash, credit,**
214 **property, and services, for which personal property or services are sold,**
215 **leased, or rented, valued in money, whether received in money or**
216 **otherwise, without any deduction for the following:**

217 **(a) The seller's cost of the property sold;**

218 **(b) The cost of materials used, labor or service cost, interest,**
219 **losses, all costs of transportation to the seller, all taxes imposed on the**
220 **seller, and any other expense of the seller;**

221 **(c) Charges by the seller for any services necessary to complete**
222 **the sale, other than delivery and installation charges;**

223 **(d) Delivery charges;**

224 **(e) Installation charges; and**

225 **(f) Credit for any trade-in, as determined by state law;**

226 **[(11)] (17) "Seller" means a person selling or furnishing tangible personal**
227 **property or rendering services, on the receipts from which a tax is imposed**
228 **pursuant to section 144.020;**

229 **(18) "Tangible personal property", personal property that can be**
230 **seen, weighed, measured, felt, or touched, or that is in any other manner**
231 **perceptible to the senses. "Tangible personal property" includes**
232 **electricity, water, gas, steam, and prewritten computer software;**

233 **[(12)] (19) The noun "tax" means either the tax payable by the purchaser**
234 **of a commodity or service subject to tax, or the aggregate amount of taxes due**
235 **from the vendor of such commodities or services during the period for which he or**
236 **she is required to report his or her collections, as the context may require;**

237 **[(13)] (20) "Telecommunications service", for the purpose of this chapter,**
238 **the transmission of information by wire, radio, optical cable, coaxial cable,**
239 **electronic impulses, or other similar means. As used in this definition,**
240 **"information" means knowledge or intelligence represented by any form of writing,**
241 **signs, signals, pictures, sounds, or any other symbols. Telecommunications service**
242 **does not include the following if such services are separately stated on the**
243 **customer's bill or on records of the seller maintained in the ordinary course of**

244 business:

245 (a) Access to the Internet, access to interactive computer services or
246 electronic publishing services, except the amount paid for the telecommunications
247 service used to provide such access;

248 (b) Answering services and one-way paging services;

249 (c) Private mobile radio services which are not two-way commercial mobile
250 radio services such as wireless telephone, personal communications services or
251 enhanced specialized mobile radio services as defined pursuant to federal law; [or]

252 (d) Cable or satellite television or music services; [and

253 (14) "Product which is intended to be sold ultimately for final use or
254 consumption" means tangible personal property, or any service that is subject to
255 state or local sales or use taxes, or any tax that is substantially equivalent
256 thereto, in this state or any other state.]

257 **Beginning January 1, 2009, "telecommunications service" shall be**
258 **defined as:**

259 a. "Air-to-ground radiotelephone service", a radio service, as that
260 term is defined in 47 C.F.R. 22.99, in which common carriers are
261 authorized to offer and provide radio telecommunications service for
262 hire to subscribers in aircraft;

263 b. "Ancillary services", services that are associated with or
264 incidental to the provisions of telecommunications services, including
265 but not limited to, detailed telecommunications billing, directory
266 assistance, vertical service, and voice mail services;

267 c. "Call-by-call basis", any method of charging for
268 telecommunications services where the price is measured by individual
269 calls;

270 d. "Communications channel", a physical or virtual path of
271 communications over which signals are transmitted between or among
272 customer channel termination points;

273 e. "Customer", the person or entity that contracts with the seller
274 of telecommunications services. If the end user of telecommunications
275 services is not the contracting party, the end user of the
276 telecommunications service is the customer of the telecommunication
277 service, but this subparagraph only applies to the purpose of sourcing
278 sales of telecommunications under chapter 314, RSMo. "Customer" does
279 not include a reseller of telecommunications service or for mobile

280 telecommunications service of a serving carrier under an agreement to
281 serve the customer outside the home service provider's licensed service
282 area;

283 f. "Customer channel termination point", the location where the
284 customer either inputs or receives the communication;

285 g. "End user", the person who utilizes the telecommunication
286 service. In case of an entity, "end user" means the individual who
287 utilizes the service on behalf of the entity;

288 h. "Home service provider", the same as that term is defined in
289 Section 124(5) of Public Law 106-252, Mobile Telecommunications
290 Sourcing Act;

291 i. "Mobile telecommunications service", the same as that term is
292 defined in Section 124(7) of Public Law 106-252, Mobile
293 Telecommunications Sourcing Act;

294 j. "Place of primary use", the street address representative of
295 where the customer's use of the telecommunications service primarily
296 occurs, which must be the residential street address or the primary
297 business street address of the customer. In Streamlined Sales and Use
298 Tax Agreement, Page 29, January 13, 2006, the case of mobile
299 telecommunications services, place of primary use must be within the
300 licensed service area of the home service provider;

301 k. "Post-paid calling service", the telecommunications service
302 obtained by making a payment on a call-by-call basis either through the
303 use of a credit card or payment mechanism such as a bank card, travel
304 card, credit card, or debit card, or by charge made to a telephone
305 number which is not associated with the origination or termination of
306 the telecommunications service. A post-paid calling service includes a
307 telecommunications service, except a prepaid wireless calling service,
308 that would be a prepaid calling service except it is not exclusively a
309 telecommunications service;

310 l. "Prepaid calling service", the right to access exclusively
311 telecommunications services, which must be paid for in advance and
312 which enables the origination of calls using an access number or
313 authorization code, whether manually or electronically dialed, and that
314 is sold in predetermined units or dollars of which the number declines
315 with use in a known amount;

316 m. "Prepaid wireless calling service", a telecommunications

317 service that provides the right to utilize mobile wireless services as well
318 as other non-telecommunications services, including the download of
319 digital products delivered electronically, content and ancillary services,
320 which must be paid for in advance that is sold in predetermined units
321 or dollars of which the number declines with use in a known amount;

322 n. "Private communication service", a telecommunication service
323 that entitles the customer to exclusive or priority use of a
324 communications channel or group of channels between or among
325 termination points, regardless of the manner in which such channel or
326 channels are connected, and includes switching capacity, extension
327 lines, stations, and any other associated services that are provided in
328 connection with the use of such channel or channels;

329 o. "Service address":

330 i. The location of the telecommunications equipment to which a
331 customer's call is charged and from which the call originates or
332 terminates, regardless of where the call is billed or paid;

333 ii. If the location in subparagraph n. of this paragraph is not
334 known, service address means the origination point of the signal of the
335 telecommunications services first identified in either the seller's
336 telecommunications system or in information received by the seller
337 from its service provider, where the system used to transport such
338 signals is not that of the seller;

339 iii. If the location in subparagraph n. of this paragraph is not
340 known, the service address means the location of the customer's place
341 of primary use;

342 p. "Telecommunications service", the electronic transmission,
343 conveyance, or routing of voice, data, audio, video, or any other
344 information or signals to a point, or between or among points. The term
345 "telecommunications service" includes such transmission, conveyance,
346 or routing in which computer processing applications are used to act on
347 the form, code, or protocol of the content for purposes of transmission,
348 conveyance, or routing without regard to whether such service is
349 referred to as voice over Internet protocol services or is classified by
350 the Federal Communications Commission as enhanced or value
351 added. "Telecommunications service" does not include:

352 i. Data processing and information services that allow data to be
353 generated, acquired, stored, processed, or retrieved and delivered by an

354 **electronic transmission to a purchaser where such purchaser's primary**
355 **purpose for the underlying transaction is the processed data or**
356 **information;**

357 **ii. Installation or maintenance of wiring or equipment on a**
358 **customer's premises;**

359 **iii. Tangible personal property;**

360 **iv. Advertising, including but not limited to directory advertising;**

361 **v. Billing and collection services provided to third parties;**

362 **vi. Internet access service;**

363 **vii. Radio and television audio and video programming services,**
364 **regardless of the medium, including the furnishing of transmission,**
365 **conveyance, and routing of such services by the programming service**
366 **provider. Radio and television audio and video programming services**
367 **shall include but not be limited to cable service as defined in 47 U.S.C.**
368 **522(6) and audio and video programming services delivered by**
369 **commercial mobile radio service providers, as defined in 47 C.F.R. 20.3;**

370 **viii. Ancillary services; or**

371 **ix. Digital products delivered electronically, including, but not**
372 **limited to, software, music, video, reading materials, or ring tones.**

373 **2. For purposes of the taxes imposed under sections 144.010 to 144.525,**
374 **and any other provisions of law pertaining to sales or use taxes which incorporate**
375 **the provisions of sections 144.010 to 144.525 by reference, the term "manufactured**
376 **homes" shall have the same meaning given it in section 700.010, RSMo.**

377 **3. Sections 144.010 to 144.525 may be known and quoted as the "Sales Tax**
378 **Law".**

144.014. 1. Notwithstanding other provisions of law to the contrary,
2 beginning October 1, 1997, the tax levied and imposed pursuant to sections
3 144.010 to 144.525 and sections 144.600 to 144.746 on all retail sales of food shall
4 be at the rate of one percent. The revenue derived from the one percent rate
5 pursuant to this section shall be deposited by the state treasurer in the school
6 district trust fund and shall be distributed as provided in section 144.701.

7 **2. For the purposes of this section, the term "food" shall include only**
8 **[those products and types of food for which food stamps may be redeemed**
9 **pursuant to the provisions of the Federal Food Stamp Program as contained in 7**
10 **U.S.C. Section 2012, as that section now reads or as it may be amended hereafter,**
11 **and shall include food dispensed by or through vending machines] food and**

12 food ingredients; food sold through vending machines; and prepared
13 food sold in an unheated state by weight or volume as a single item
14 without eating utensils, food sold by a seller whose proper primary
15 NAICS classification is manufacturing in sector 311 and bakery items,
16 including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts,
17 danish, cakes, tortes, pies, tarts, muffins, bars, cookies, and
18 tortillas. For purposes of this section, the term "food and food
19 ingredients" means substances, whether in liquid, concentrated, solid,
20 frozen, dried, or dehydrated form, that are sold for ingestion or chewing
21 by humans and are consumed for their taste or nutritional value. "Food
22 and food ingredients" does not include alcoholic beverages, tobacco, or
23 dietary supplements. For purposes of this section, the term "food sold
24 through vending machines" means food dispensed from a machine or
25 other mechanical device that accepts payment. "Prepared food" means
26 food sold in a heated state or heated by the seller; two or more food
27 ingredients mixed or combined by the seller for sale as a single item; or
28 food sold with eating utensils provided by the seller, including plates,
29 knives, forks, spoons, glasses, cups, napkins, or straws. A plate does not
30 include a container or packaging used to transport the food. "Prepared
31 food" does not include food that is only cut, repackaged, or pasteurized
32 by the seller, and eggs, fish, meat, poultry, and foods containing these
33 raw animal foods requiring cooking by the consumer as recommended
34 by the Food and Drug Administration in chapter 3, part 401.11 of its
35 Food Code so as to prevent food borne illnesses. "Alcoholic beverages"
36 means beverages that are suitable for human consumption and contain
37 one-half of one percent or more of alcohol by volume. "Dietary
38 supplement" means any product, other than tobacco, intended to
39 supplement the diet that contains one or more of the following dietary
40 ingredients: a vitamin; a mineral; an herb or other botanical; an amino
41 acid; a dietary substance for use by humans to supplement the diet by
42 increasing the total dietary intake; or a concentrate, metabolite,
43 constituent, extract, or combination of any ingredient described above;
44 and that is intended for ingestion in tablet, capsule, powder, softgel,
45 gelcap, or liquid form, or if not intended for ingestion in such a form,
46 is not represented as a conventional food and is not represented for use
47 as a sole item of a meal or of the diet; and that is required to be labeled
48 as a dietary supplement, identifiable by the supplemental facts box

49 **found on the label and as required pursuant to 21 C.F.R. Section**
50 **101.36. "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or**
51 **any other item that contains tobacco.** For the purpose of this section, except
52 for vending machine sales, the term "food" shall not include food or drink sold by
53 any establishment where the gross receipts derived from the sale of food prepared
54 by such establishment for immediate consumption on or off the premises of the
55 establishment constitutes more than eighty percent of the total gross receipts of
56 that establishment, regardless of whether such prepared food is consumed on the
57 premises of that establishment, including, but not limited to, sales of food by any
58 restaurant, fast food restaurant, delicatessen, eating house, or café.

144.030. 1. There is hereby specifically exempted from the provisions of
sections 144.010 to 144.525 and from the computation of the tax levied, assessed
2 or payable pursuant to sections 144.010 to 144.525 such retail sales as may be
3 made in commerce between this state and any other state of the United States, or
4 between this state and any foreign country, and any retail sale which the state of
5 Missouri is prohibited from taxing pursuant to the Constitution or laws of the
6 United States of America, and such retail sales of tangible personal property
7 which the general assembly of the state of Missouri is prohibited from taxing or
8 further taxing by the constitution of this state.

9 2. There are also specifically exempted from the provisions of the local
10 sales tax law as defined in section 32.085, RSMo, section 238.235, RSMo, and
11 sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of
12 the tax levied, assessed or payable pursuant to the local sales tax law as defined
13 in section 32.085, RSMo, section 238.235, RSMo, and sections 144.010 to 144.525
14 and 144.600 to 144.745:

15 (1) Motor fuel or special fuel subject to an excise tax of this state, unless
16 all or part of such excise tax is refunded pursuant to section 142.824, RSMo; or
17 upon the sale at retail of fuel to be consumed in manufacturing or creating gas,
18 power, steam, electrical current or in furnishing water to be sold ultimately at
19 retail; or feed for livestock or poultry; or grain to be converted into foodstuffs
20 which are to be sold ultimately in processed form at retail; or seed, limestone or
21 fertilizer which is to be used for seeding, liming or fertilizing crops which when
22 harvested will be sold at retail or will be fed to livestock or poultry to be sold
23 ultimately in processed form at retail; economic poisons registered pursuant to the
24 provisions of the Missouri pesticide registration law (sections 281.220 to 281.310,
25 RSMo) which are to be used in connection with the growth or production of crops,

26 fruit trees or orchards applied before, during, or after planting, the crop of which
27 when harvested will be sold at retail or will be converted into foodstuffs which are
28 to be sold ultimately in processed form at retail;

29 (2) Materials, manufactured goods, machinery and parts which when used
30 in manufacturing, processing, compounding, mining, producing or fabricating
31 become a component part or ingredient of the new personal property resulting
32 from such manufacturing, processing, compounding, mining, producing or
33 fabricating and which new personal property is intended to be sold ultimately for
34 final use or consumption; and materials, including without limitation, gases and
35 manufactured goods, including without limitation, slagging materials and
36 firebrick, which are ultimately consumed in the manufacturing process by
37 blending, reacting or interacting with or by becoming, in whole or in part,
38 component parts or ingredients of steel products intended to be sold ultimately for
39 final use or consumption;

40 (3) Materials, replacement parts and equipment purchased for use directly
41 upon, and for the repair and maintenance or manufacture of, motor vehicles,
42 watercraft, railroad rolling stock or aircraft engaged as common carriers of
43 persons or property;

44 (4) Replacement machinery, equipment, and parts and the materials and
45 supplies solely required for the installation or construction of such replacement
46 machinery, equipment, and parts, used directly in manufacturing, mining,
47 fabricating or producing a product which is intended to be sold ultimately for final
48 use or consumption; and machinery and equipment, and the materials and
49 supplies required solely for the operation, installation or construction of such
50 machinery and equipment, purchased and used to establish new, or to replace or
51 expand existing, material recovery processing plants in this state. For the
52 purposes of this subdivision, a "material recovery processing plant" means a
53 facility that has as its primary purpose the recovery of materials into a useable
54 product or a different form which is used in producing a new product and shall
55 include a facility or equipment which are used exclusively for the collection of
56 recovered materials for delivery to a material recovery processing plant but shall
57 not include motor vehicles used on highways. For purposes of this section, the
58 terms motor vehicle and highway shall have the same meaning pursuant to section
59 301.010, RSMo. Material recovery is not the reuse of materials within a
60 manufacturing process or the use of a product previously recovered. The material
61 recovery processing plant shall qualify under the provisions of this section

62 regardless of ownership of the material being recovered;

63 (5) Machinery and equipment, and parts and the materials and supplies
64 solely required for the installation or construction of such machinery and
65 equipment, purchased and used to establish new or to expand existing
66 manufacturing, mining or fabricating plants in the state if such machinery and
67 equipment is used directly in manufacturing, mining or fabricating a product
68 which is intended to be sold ultimately for final use or consumption;

69 (6) Tangible personal property which is used exclusively in the
70 manufacturing, processing, modification or assembling of products sold to the
71 United States government or to any agency of the United States government;

72 (7) Animals or poultry used for breeding or feeding purposes;

73 (8) Newsprint, ink, computers, photosensitive paper and film, toner,
74 printing plates and other machinery, equipment, replacement parts and supplies
75 used in producing newspapers published for dissemination of news to the general
76 public;

77 (9) The rentals of films, records or any type of sound or picture
78 transcriptions for public commercial display;

79 (10) Pumping machinery and equipment used to propel products delivered
80 by pipelines engaged as common carriers;

81 (11) Railroad rolling stock for use in transporting persons or property in
82 interstate commerce and motor vehicles licensed for a gross weight of twenty-four
83 thousand pounds or more or trailers used by common carriers, as defined in
84 section 390.020, RSMo, in the transportation of persons or property;

85 (12) Electrical energy used in the actual primary manufacture, processing,
86 compounding, mining or producing of a product, or electrical energy used in the
87 actual secondary processing or fabricating of the product, or a material recovery
88 processing plant as defined in subdivision (4) of this subsection, in facilities owned
89 or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten
90 percent of the total cost of production, either primary or secondary, exclusive of
91 the cost of electrical energy so used or if the raw materials used in such processing
92 contain at least twenty-five percent recovered materials as defined in section
93 260.200, RSMo. There shall be a rebuttable presumption that the raw materials
94 used in the primary manufacture of automobiles contain at least twenty-five
95 percent recovered materials. For purposes of this subdivision, "processing" means
96 any mode of treatment, act or series of acts performed upon materials to transform
97 and reduce them to a different state or thing, including treatment necessary to

98 maintain or preserve such processing by the producer at the production facility;
99 (13) Anodes which are used or consumed in manufacturing, processing,
100 compounding, mining, producing or fabricating and which have a useful life of less
101 than one year;

102 (14) Machinery, equipment, appliances and devices purchased or leased
103 and used solely for the purpose of preventing, abating or monitoring air pollution,
104 and materials and supplies solely required for the installation, construction or
105 reconstruction of such machinery, equipment, appliances and devices, and so
106 certified as such by the director of the department of natural resources, except
107 that any action by the director pursuant to this subdivision may be appealed to
108 the air conservation commission which may uphold or reverse such action;

109 (15) Machinery, equipment, appliances and devices purchased or leased
110 and used solely for the purpose of preventing, abating or monitoring water
111 pollution, and materials and supplies solely required for the installation,
112 construction or reconstruction of such machinery, equipment, appliances and
113 devices, and so certified as such by the director of the department of natural
114 resources, except that any action by the director pursuant to this subdivision may
115 be appealed to the Missouri clean water commission which may uphold or reverse
116 such action;

117 (16) Tangible personal property purchased by a rural water district;

118 (17) All amounts paid or charged for admission or participation or other
119 fees paid by or other charges to individuals in or for any place of amusement,
120 entertainment or recreation, games or athletic events, including museums, fairs,
121 zoos and planetariums, owned or operated by a municipality or other political
122 subdivision where all the proceeds derived therefrom benefit the municipality or
123 other political subdivision and do not inure to any private person, firm, or
124 corporation;

125 (18) All sales of insulin and [prosthetic or] orthopedic devices as defined
126 on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of
127 the Social Security Act of 1965, including the items specified in Section
128 1862(a)(12) of that act, and also specifically including hearing aids and hearing
129 aid supplies and all sales of drugs which may be legally dispensed by a licensed
130 pharmacist only upon a lawful prescription of a practitioner licensed to administer
131 those items, including samples and materials used to manufacture samples which
132 may be dispensed by a practitioner authorized to dispense such samples and all
133 sales of medical oxygen, home respiratory equipment and accessories, hospital

134 beds and accessories and ambulatory aids, all sales of manual and powered
135 wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if
136 purchased by or on behalf of a person with one or more physical or mental
137 disabilities to enable them to function more independently, all sales of scooters,
138 reading machines, electronic print enlargers and magnifiers, electronic alternative
139 and augmentative communication devices, and items used solely to modify motor
140 vehicles to permit the use of such motor vehicles by individuals with disabilities
141 or sales of over-the-counter or nonprescription drugs to individuals with
142 disabilities, **except grooming or hygiene products**, to individuals with
143 disabilities, **and all sales of prosthetic devices. For purposes of this**
144 **section, "prosthetic device" means a replacement, corrective, or**
145 **supportive device including repair and replacement parts for same**
146 **worn on or in the body to: artificially replace a missing portion of the**
147 **body; prevent or correct physical deformity or malfunction; or support**
148 **a weak or deformed portion of the body. "Prosthetic device" does not**
149 **include corrective eyeglasses or contact lenses. For purposes of this**
150 **section, "drug" means a compound, substance or preparation, and any**
151 **component of a compound, substance or preparation, other than food**
152 **and food ingredients, dietary supplements, or alcoholic beverages:**
153 **recognized in the official United States Pharmacopoeia, official**
154 **Homeopathic Pharmacopoeia of the United States, or official National**
155 **Formulary, and supplement to any of them; or intended for use in the**
156 **diagnosis, cure, mitigation, treatment, or prevention of disease; or**
157 **intended to affect the structure or any function of the body. For**
158 **purposes of this section, "prescription" means an order, formula, or**
159 **recipe issued in any form of oral, written, electronic, or other means of**
160 **transmission by a duly licensed practitioner authorized by the laws of**
161 **this state. For purposes of this section, "over-the-counter-drug" means**
162 **a drug that contains a label that identifies the product as a drug as**
163 **required by 21 C.F.R. Section 201.66. The over-the-counter-drug label**
164 **includes: a drug facts panel; or a statement of the active ingredients**
165 **with a list of those ingredients contained in the compound, substance,**
166 **or preparation. Over-the-counter-drug does not include grooming and**
167 **hygiene products. "Grooming and hygiene products" are soaps and**
168 **cleaning solutions, shampoo, toothpaste, mouthwash, antiperspirants,**
169 **and sun tan lotions and screens, regardless of whether the items meet**
170 **the definition of over-the-counter-drugs;**

171 (19) All sales made by or to religious and charitable organizations and
172 institutions in their religious, charitable or educational functions and activities
173 and all sales made by or to all elementary and secondary schools operated at
174 public expense in their educational functions and activities;

175 (20) All sales of aircraft to common carriers for storage or for use in
176 interstate commerce and all sales made by or to not-for-profit civic, social, service
177 or fraternal organizations, including fraternal organizations which have been
178 declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986
179 Internal Revenue Code, as amended, in their civic or charitable functions and
180 activities and all sales made to eleemosynary and penal institutions and
181 industries of the state, and all sales made to any private not-for-profit institution
182 of higher education not otherwise excluded pursuant to subdivision (19) of this
183 subsection or any institution of higher education supported by public funds, and
184 all sales made to a state relief agency in the exercise of relief functions and
185 activities;

186 (21) All ticket sales made by benevolent, scientific and educational
187 associations which are formed to foster, encourage, and promote progress and
188 improvement in the science of agriculture and in the raising and breeding of
189 animals, and by nonprofit summer theater organizations if such organizations are
190 exempt from federal tax pursuant to the provisions of the Internal Revenue Code
191 and all admission charges and entry fees to the Missouri state fair or any fair
192 conducted by a county agricultural and mechanical society organized and operated
193 pursuant to sections 262.290 to 262.530, RSMo;

194 (22) All sales made to any private not-for-profit elementary or secondary
195 school, all sales of feed additives, medications or vaccines administered to
196 livestock or poultry in the production of food or fiber, all sales of pesticides used
197 in the production of crops, livestock or poultry for food or fiber, all sales of bedding
198 used in the production of livestock or poultry for food or fiber, all sales of propane
199 or natural gas, electricity or diesel fuel used exclusively for drying agricultural
200 crops, natural gas used in the primary manufacture or processing of fuel ethanol
201 as defined in section 142.028, RSMo, natural gas, propane, and electricity used by
202 an eligible new generation cooperative or an eligible new generation processing
203 entity as defined in section 348.432, RSMo, and all sales of farm machinery and
204 equipment, other than airplanes, motor vehicles and trailers. As used in this
205 subdivision, the term "feed additives" means tangible personal property which,
206 when mixed with feed for livestock or poultry, is to be used in the feeding of

207 livestock or poultry. As used in this subdivision, the term "pesticides" includes
208 adjuvants such as crop oils, surfactants, wetting agents and other assorted
209 pesticide carriers used to improve or enhance the effect of a pesticide and the foam
210 used to mark the application of pesticides and herbicides for the production of
211 crops, livestock or poultry. As used in this subdivision, the term "farm machinery
212 and equipment" means new or used farm tractors and such other new or used farm
213 machinery and equipment and repair or replacement parts thereon, and supplies
214 and lubricants used exclusively, solely, and directly for producing crops, raising
215 and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk
216 for ultimate sale at retail, including field drain tile, and one-half of each
217 purchaser's purchase of diesel fuel therefor which is:

218 (a) Used exclusively for agricultural purposes;
219 (b) Used on land owned or leased for the purpose of producing farm
220 products; and

221 (c) Used directly in producing farm products to be sold ultimately in
222 processed form or otherwise at retail or in producing farm products to be fed to
223 livestock or poultry to be sold ultimately in processed form at retail;

224 (23) Except as otherwise provided in section 144.032, all sales of metered
225 water service, electricity, electrical current, natural, artificial or propane gas,
226 wood, coal or home heating oil for domestic use and in any city not within a
227 county, all sales of metered or unmetered water service for domestic use:

228 (a) "Domestic use" means that portion of metered water service, electricity,
229 electrical current, natural, artificial or propane gas, wood, coal or home heating
230 oil, and in any city not within a county, metered or unmetered water service,
231 which an individual occupant of a residential premises uses for nonbusiness,
232 noncommercial or nonindustrial purposes. Utility service through a single or
233 master meter for residential apartments or condominiums, including service for
234 common areas and facilities and vacant units, shall be deemed to be for domestic
235 use. Each seller shall establish and maintain a system whereby individual
236 purchases are determined as exempt or nonexempt;

237 (b) Regulated utility sellers shall determine whether individual purchases
238 are exempt or nonexempt based upon the seller's utility service rate classifications
239 as contained in tariffs on file with and approved by the Missouri public service
240 commission. Sales and purchases made pursuant to the rate classification
241 "residential" and sales to and purchases made by or on behalf of the occupants of
242 residential apartments or condominiums through a single or master meter,

243 including service for common areas and facilities and vacant units, shall be
244 considered as sales made for domestic use and such sales shall be exempt from
245 sales tax. Sellers shall charge sales tax upon the entire amount of purchases
246 classified as nondomestic use. The seller's utility service rate classification and
247 the provision of service thereunder shall be conclusive as to whether or not the
248 utility must charge sales tax;

249 (c) Each person making domestic use purchases of services or property and
250 who uses any portion of the services or property so purchased for a nondomestic
251 use shall, by the fifteenth day of the fourth month following the year of purchase,
252 and without assessment, notice or demand, file a return and pay sales tax on that
253 portion of nondomestic purchases. Each person making nondomestic purchases
254 of services or property and who uses any portion of the services or property so
255 purchased for domestic use, and each person making domestic purchases on behalf
256 of occupants of residential apartments or condominiums through a single or
257 master meter, including service for common areas and facilities and vacant units,
258 under a nonresidential utility service rate classification may, between the first day
259 of the first month and the fifteenth day of the fourth month following the year of
260 purchase, apply for credit or refund to the director of revenue and the director
261 shall give credit or make refund for taxes paid on the domestic use portion of the
262 purchase. The person making such purchases on behalf of occupants of residential
263 apartments or condominiums shall have standing to apply to the director of
264 revenue for such credit or refund;

265 (24) All sales of handicraft items made by the seller or the seller's spouse
266 if the seller or the seller's spouse is at least sixty-five years of age, and if the total
267 gross proceeds from such sales do not constitute a majority of the annual gross
268 income of the seller;

269 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041,
270 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States
271 Code. The director of revenue shall promulgate rules pursuant to chapter 536,
272 RSMo, to eliminate all state and local sales taxes on such excise taxes;

273 (26) Sales of fuel consumed or used in the operation of ships, barges, or
274 waterborne vessels which are used primarily in or for the transportation of
275 property or cargo, or the conveyance of persons for hire, on navigable rivers
276 bordering on or located in part in this state, if such fuel is delivered by the seller
277 to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such
278 river;

279 (27) All sales made to an interstate compact agency created pursuant to
280 sections 70.370 to 70.441, RSMo, or sections 238.010 to 238.100, RSMo, in the
281 exercise of the functions and activities of such agency as provided pursuant to the
282 compact;

283 (28) Computers, computer software and computer security systems
284 purchased for use by architectural or engineering firms headquartered in this
285 state. For the purposes of this subdivision, "headquartered in this state" means
286 the office for the administrative management of at least four integrated facilities
287 operated by the taxpayer is located in the state of Missouri;

288 (29) All livestock sales when either the seller is engaged in the growing,
289 producing or feeding of such livestock, or the seller is engaged in the business of
290 buying and selling, bartering or leasing of such livestock;

291 (30) All sales of barges which are to be used primarily in the
292 transportation of property or cargo on interstate waterways;

293 (31) Electrical energy or gas, whether natural, artificial or propane, water,
294 or other utilities which are ultimately consumed in connection with the
295 manufacturing of cellular glass products or in any material recovery processing
296 plant as defined in subdivision (4) of this subsection;

297 (32) Notwithstanding other provisions of law to the contrary, all sales of
298 pesticides or herbicides used in the production of crops, aquaculture, livestock or
299 poultry;

300 (33) Tangible personal property and utilities purchased for use or
301 consumption directly or exclusively in the research and development of
302 agricultural/biotechnology and plant genomics products and prescription
303 pharmaceuticals consumed by humans or animals;

304 (34) All sales of grain bins for storage of grain for resale;

305 (35) All sales of feed which are developed for and used in the feeding of
306 pets owned by a commercial breeder when such sales are made to a commercial
307 breeder, as defined in section 273.325, RSMo, and licensed pursuant to sections
308 273.325 to 273.357, RSMo;

309 (36) All purchases by a contractor on behalf of an entity located in another
310 state, provided that the entity is authorized to issue a certificate of exemption for
311 purchases to a contractor under the provisions of that state's laws. For purposes
312 of this subdivision, the term "certificate of exemption" shall mean any document
313 evidencing that the entity is exempt from sales and use taxes on purchases
314 pursuant to the laws of the state in which the entity is located. Any contractor

315 making purchases on behalf of such entity shall maintain a copy of the entity's
316 exemption certificate as evidence of the exemption. If the exemption certificate
317 issued by the exempt entity to the contractor is later determined by the director
318 of revenue to be invalid for any reason and the contractor has accepted the
319 certificate in good faith, neither the contractor or the exempt entity shall be liable
320 for the payment of any taxes, interest and penalty due as the result of use of the
321 invalid exemption certificate. Materials shall be exempt from all state and local
322 sales and use taxes when purchased by a contractor for the purpose of fabricating
323 tangible personal property which is used in fulfilling a contract for the purpose of
324 constructing, repairing or remodeling facilities for the following:

325 (a) An exempt entity located in this state, if the entity is one of those
326 entities able to issue project exemption certificates in accordance with the
327 provisions of section 144.062; or

328 (b) An exempt entity located outside the state if the exempt entity is
329 authorized to issue an exemption certificate to contractors in accordance with the
330 provisions of that state's law and the applicable provisions of this section;

331 (37) All sales or other transfers of tangible personal property to a lessor
332 who leases the property under a lease of one year or longer executed or in effect
333 at the time of the sale or other transfer to an interstate compact agency created
334 pursuant to sections 70.370 to 70.441, RSMo, or sections 238.010 to 238.100,
335 RSMo;

336 (38) Sales of tickets to any collegiate athletic championship event that is
337 held in a facility owned or operated by a governmental authority or commission,
338 a quasi-governmental agency, a state university or college or by the state or any
339 political subdivision thereof, including a municipality, and that is played on a
340 neutral site and may reasonably be played at a site located outside the state of
341 Missouri. For purposes of this subdivision, "neutral site" means any site that is
342 not located on the campus of a conference member institution participating in the
343 event;

344 (39) All purchases by a sports complex authority created under section
345 64.920, RSMo.

144.049. 1. For purposes of this section, the following terms mean:

2 (1) "Clothing", [any article of wearing apparel, including footwear,
3 intended to be worn on or about the human body. The term shall include but not
4 be limited to cloth and other material used to make school uniforms or other
5 school clothing. Items normally sold in pairs shall not be separated to qualify for

6 the exemption. The term shall not include watches, watchbands, jewelry,
7 handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles;
8 and] **all human wearing apparel suitable for general use. The following**
9 **list contains examples and is not intended to be an all-inclusive list.**

10 (a) "Clothing" shall include:

11 a. Aprons, household and shop;

12 b. Athletic supporters;

13 c. Baby receiving blankets;

14 d. Bathing suits and caps;

15 e. Beach capes and coats;

16 f. Boots;

17 g. Coats and jackets;

18 h. Costumes;

19 i. Diapers, children and adult, including disposable diapers;

20 j. Ear muffs;

21 k. Footlets;

22 l. Formal wear;

23 m. Garters and garter belts;

24 n. Gloves and mittens for general use;

25 o. Hats and caps;

26 p. Hosiery;

27 q. Insoles for shoes;

28 r. Lab coats;

29 s. Neckties;

30 t. Overshoes;

31 u. Pantyhose;

32 v. Rainwear;

33 w. Rubber pants;

34 x. Sandals;

35 y. Scarves;

36 z. Shoes and shoe laces;

37 aa. Slippers;

38 bb. Sneakers;

39 cc. Socks and stockings;

40 dd. Steel-toed shoes;

41 ee. Underwear;

42 ff. Uniforms, athletic and non-athletic; and

- 43 **gg. Wedding apparel;**
- 44 **(b) Clothing shall not include:**
- 45 **a. Belt buckles sold separately;**
- 46 **b. Costume masks sold separately;**
- 47 **c. Patches and emblems sold separately;**
- 48 **d. Sewing equipment and supplies, including but not limited to,**
- 49 **knitting needles, patterns, pins, scissors, sewing machines, sewing**
- 50 **needles, tape measures, and thimbles; and**
- 51 **e. Sewing materials that become part of "clothing" including, but**
- 52 **not limited to, buttons, fabric, lace, thread, yarn, and zippers;**
- 53 (2) "Personal computers", a laptop, desktop, or tower computer system
- 54 which consists of a central processing unit, random access memory, a storage
- 55 drive, a display monitor, and a keyboard and devices designed for use in
- 56 conjunction with a personal computer, such as a disk drive, memory module,
- 57 compact disk drive, daughterboard, digitalizer, microphone, modem, motherboard,
- 58 mouse, multimedia speaker, printer, scanner, single-user hardware, single-user
- 59 operating system, soundcard, or video card;
- 60 (3) "School supplies", [any item normally used by students in a standard
- 61 classroom for educational purposes, including but not limited to textbooks,
- 62 notebooks, paper, writing instruments, crayons, art supplies, rulers, book bags,
- 63 backpacks, handheld calculators, chalk, maps, and globes. The term shall not
- 64 include watches, radios, CD players, headphones, sporting equipment, portable or
- 65 desktop telephones, copiers or other office equipment, furniture, or
- 66 fixtures. School supplies shall also include computer software having a taxable
- 67 value of three hundred fifty dollars or less] **an item commonly used by a**
- 68 **student in a course of study. The following is an all-inclusive list:**
- 69 **(a) Binders;**
- 70 **(b) Book bags;**
- 71 **(c) Calculators;**
- 72 **(d) Cellophane tape;**
- 73 **(e) Blackboard chalk;**
- 74 **(f) Compasses;**
- 75 **(g) Composition books;**
- 76 **(h) Crayons;**
- 77 **(i) Erasers;**
- 78 **(j) Folders, expandable, pocket, plastic, and manila;**

- 79 **(k) Glue, paste, and paste sticks;**
80 **(l) Highlighters;**
81 **(m) Index cards;**
82 **(n) Index card boxes;**
83 **(o) Legal pads;**
84 **(p) Lunch boxes;**
85 **(q) Markers;**
86 **(r) Notebooks;**
87 **(s) Paper, loose leaf ruled notebook paper, copy paper, graph**
88 **paper, tracing paper, manila paper, colored paper, poster board, and**
89 **construction paper;**
90 **(t) Pencil boxes and other school supply boxes;**
91 **(u) Pencil sharpeners;**
92 **(v) Pencils;**
93 **(w) Pens;**
94 **(x) Protractors;**
95 **(y) Scissors;**
96 **(z) Writing tablets;**
97 **(aa) School art supply. School art supply is an item commonly**
98 **used by a student in a course of study for artwork. The following is an**
99 **all-inclusive list:**
100 **a. Clay and glazes;**
101 **b. Paints, acrylic, tempera, and oil;**
102 **c. Paintbrushes for artwork;**
103 **d. Sketch and drawing pads;**
104 **e. Watercolors;**
105 **(bb) School instructional material. School instructional material**
106 **is written material commonly used by a student in a course of study as**
107 **a reference and to learn the subject being taught. The following is an**
108 **all-inclusive list:**
109 **a. Reference books;**
110 **b. Reference maps and globes;**
111 **c. Textbooks; and**
112 **d. Workbooks;**
113 **(cc) School computer supply. School computer supply is an item**
114 **commonly used by a student in a course of study in which a computer**
115 **is used. The following is an all-inclusive list:**

- 116 **a. Computer storage media, diskettes, compact disks;**
117 **b. Handheld electronic schedulers, except devices that are**
118 **cellular phones;**
119 **c. Personal digital assistants, except devices that are cellular**
120 **phones; and**
121 **d. Computer printers and printer supplies for computers, printer**
122 **paper, and printer ink.**

123 2. In each year beginning on or after January 1, 2005, there is hereby
124 specifically exempted from state sales tax law all retail sales of any article of
125 clothing having a taxable value of one hundred dollars or less, all retail sales of
126 school supplies not to exceed fifty dollars per purchase, all computer software with
127 a taxable value of three hundred fifty dollars or less, and all retail sales of
128 personal computers or computer peripheral devices not to exceed three thousand
129 five hundred dollars, during a three-day period beginning at 12:01 a.m. on the
130 first Friday in August and ending at midnight on the Sunday following.

131 3. [If the governing body of any political subdivision adopted an ordinance
132 that applied to the 2004 sales tax holiday to prohibit the provisions of this section
133 from allowing the sales tax holiday to apply to such political subdivision's local
134 sales tax, then, notwithstanding any provision of a local ordinance to the contrary,
135 the 2005 sales tax holiday shall not apply to such political subdivision's local sales
136 tax. However, any such political subdivision may enact an ordinance to allow the
137 2005 sales tax holiday to apply to its local sales taxes. A political subdivision
138 must notify the department of revenue not less than forty-five calendar days prior
139 to the beginning date of the sales tax holiday occurring in that year of any
140 ordinance or order rescinding an ordinance or order to opt out.

141 4.] This section shall not apply to any sales which take place within the
142 Missouri state fairgrounds.

143 [5.] 4. This section applies to sales of items bought for personal use only.

144 [6. After the 2005 sales tax holiday, any political subdivision may, by
145 adopting an ordinance or order, choose to prohibit future annual sales tax holidays
146 from applying to its local sales tax. After opting out, the political subdivision may
147 rescind the ordinance or order. The political subdivision must notify the
148 department of revenue not less than forty-five calendar days prior to the beginning
149 date of the sales tax holiday occurring in that year of any ordinance or order
150 rescinding an ordinance or order to opt out.

151 7. This section may not apply to any retailer when less than two percent

152 of the retailer's merchandise offered for sale qualifies for the sales tax
153 holiday. The retailer shall offer a sales tax refund in lieu of the sales tax holiday.]

144.100. 1. Every person making any taxable sales of property or service,
2 except transactions provided for in sections 144.070 and 144.440, individually or
3 by duly authorized officer or agent, shall make and file a written return with the
4 director of revenue in such manner as he may prescribe.

5 2. The returns shall be on blanks designed and furnished by the director
6 of the department of revenue and shall be filed at the times provided in sections
7 144.080 and 144.090. The returns shall show the amount of gross receipts from
8 sales of taxable property and services by the person and the amount of tax due
9 thereon by that person during and for the period covered by the return. With each
10 return, the person shall remit to the director of revenue the full amount of the tax
11 due.

12 3. In case of charge and time sales the gross receipts thereof shall be
13 included as sales in the returns as and when payments are received by the person,
14 without any deduction therefrom whatsoever.

15 4. If an error or omission is discovered in a return or a change be
16 necessary to show the true facts, the error may be corrected, the omission
17 supplied, or the change made in the return next filed with the director for the
18 filing period immediately following the filing period in which the error was made
19 or the omission occurred, as prescribed by law, except that no refund under this
20 chapter shall be allowed for any amount of tax paid by a seller which is based
21 upon charges incident to credit card discounts. Any other omission or error must
22 be corrected by filing an amended return for the erroneously reported period if the
23 amount of tax is less than that originally reported, or an additional return if the
24 amount of tax is greater than that originally reported. An additional return shall
25 be deemed filed on the date the envelope in which it is mailed is postmarked or
26 the date it is received by the director, whichever is earlier. Any payment of tax,
27 interest, penalty or additions to tax shall be deemed filed on the date the envelope
28 containing the payment is postmarked or the date the payment is received by the
29 director, whichever is earlier. If a refund or credit results from the filing of an
30 amended return, no refund or credit shall be allowed unless an application for
31 refund or credit is properly completed and submitted to the director pursuant to
32 section 144.190.

33 5. The amount of gross receipts from sales and the amount of tax due
34 returned by the person, as well as all matters contained in the return, is subject

35 to review and revision in the manner herein provided for the correction of the
36 returns.

37 **6. The director of revenue may prescribe any seller to file and**
38 **remit sales tax electronically.**

144.105. 1. Beginning on or before January 1, 2009, the state shall
2 **review software submitted to the streamlined sales and use tax**
3 **governing board for certification as a CAS under Section 501 of the**
4 **streamlined sales and use tax agreement. Such review shall include a**
5 **review to determine that the program adequately classifies the state's**
6 **product-based exemptions. Upon completion of the review, the state**
7 **shall certify to the governing board its acceptance of the classifications**
8 **made by the system. The state shall relieve CSPs and model 2 sellers**
9 **from liability to this state and its local jurisdictions for not collecting**
10 **sales or use taxes resulting from the CSP or model 2 seller relying on**
11 **the certification provided by the state.**

12 **2. The streamlined sales and use tax governing board and this**
13 **state shall not be responsible for classification of an item or transaction**
14 **with the product-based exemptions. The relief from liability provided**
15 **in this section shall not be available for a CSP or model 2 seller that has**
16 **incorrectly classified an item or transaction into a product-based**
17 **exemption certified by this state. This subsection shall apply to the**
18 **individual listing of items or transactions within a product definition**
19 **approved by the governing board or the state.**

20 **3. If the state determines that an item or transaction is**
21 **incorrectly classified as to its taxability, it shall notify the CSP or model**
22 **2 seller of the incorrect classification. The CSP or model 2 seller shall**
23 **have ten days to revise the classification after receipt of notice from the**
24 **state of the determination. Upon expiration of the ten days, CSP or**
25 **model 2 seller shall be liable for the failure to collect the correct**
26 **amount of sales or use taxes due and owing to the state.**

27 **4. For purposes of this section, the following terms shall mean:**

28 **(1) "Certified automated system" or "CAS", software certified**
29 **under the streamlined sales and use tax agreement to calculate the tax**
30 **imposed by each jurisdiction on a transaction, determine the amount of**
31 **tax to remit to the appropriate state, and maintain a record of the**
32 **transaction;**

33 **(2) "Certified service provider" or "CSP", an agent certified under**

34 **the streamlined sales and use tax agreement to perform all the seller's**
35 **sales and use tax functions, other than the seller's obligation to remit**
36 **tax on its own purchases;**

37 **(3) "Model 2 seller", a seller that has selected a CAS to perform**
38 **part of its sales and use tax functions, but retains responsibility for**
39 **remitting the tax;**

40 **(4) "Product-based exemption", an exemption based on the**
41 **description of the product and not based on who purchases the product**
42 **or how the purchaser intends to use the product.**

144.625. To secure the payment of the tax, interest and penalties, which
2 may become due from a vendor as provided in sections 144.600 to 144.745, the
3 director of revenue may, where necessary to secure the payment of the tax,
4 interest, and penalties require [all vendors] **a vendor** to file a bond or a letter of
5 credit in an amount to be determined by the director, under the same
6 requirements as provided in section 144.087.

144.655. 1. Every vendor, on or before the last day of the month following
2 each calendar quarterly period of three months, shall file with the director of
3 revenue a return of all taxes collected for the preceding quarter in the form
4 prescribed by the director of revenue, showing the total sales price of the tangible
5 personal property sold by the vendor, the storage, use or consumption of which is
6 subject to the tax levied by this law, and other information the director of revenue
7 deems necessary. The return shall be accompanied by a remittance of the amount
8 of the tax required to be collected by the vendor during the period covered by the
9 return. Returns shall be signed by the vendor or the vendor's authorized
10 agent. The director of revenue may promulgate rules or regulations changing the
11 filing and payment requirements of vendors, but shall not require any vendor to
12 file and pay more frequently than required in this section.

13 2. Where the aggregate amount of tax required to be collected by a vendor
14 is in excess of two hundred and fifty dollars for either the first or second month
15 of a calendar quarter, the vendor shall pay such aggregate amount for such
16 months to the director of revenue by the twentieth day of the succeeding
17 month. The amount so paid shall be allowed as a credit against the liability
18 shown on the vendor's quarterly return required by this section.

19 3. Where the aggregate amount of tax required to be collected by a vendor
20 is less than forty-five dollars in a calendar quarter, the director of revenue shall
21 by regulation permit the vendor to file a return for a calendar year. The return

22 shall be filed and the taxes paid on or before January thirty-first of the succeeding
23 year.

24 4. Except as provided in subsection 5 of this section, every person
25 purchasing tangible personal property, the storage, use or consumption of which
26 is subject to the tax levied by sections 144.600 to 144.748, who has not paid the
27 tax due to a vendor registered in accordance with the provisions of section
28 144.650, shall file with the director of revenue a return for the preceding reporting
29 period in the form and manner that the director of revenue prescribes, showing
30 the total sales price of the tangible property purchased during the preceding
31 reporting period and any other information that the director of revenue deems
32 necessary for the proper administration of sections 144.600 to 144.748. The return
33 shall be accompanied by a remittance of the amount of the tax required by
34 sections 144.600 to 144.748 to be paid by the person. Returns shall be signed by
35 the person liable for the tax or such person's duly authorized agent. For purposes
36 of this subsection, the reporting period shall be determined by the director of
37 revenue and may be a calendar quarter or a calendar year. Annual returns and
38 payments required by the director pursuant to this subsection shall be due on or
39 before April fifteenth of the year of the preceding calendar year and quarterly
40 returns and payments shall be due on or before the last day of the month following
41 each calendar period of three months. Upon the taxpayer's request, the director
42 may allow the filing of such returns and payments on a monthly basis. If a
43 taxpayer elects to file a monthly return and payment, such return and payment
44 shall be due on or before the twentieth day of the succeeding month.

45 5. [Any person purchasing tangible personal property subject to the taxes
46 imposed by sections 144.600 to 144.748 shall not be required to file a use tax
47 return with the director of revenue if such purchases on which such taxes were not
48 paid do not exceed in the aggregate two thousand dollars in any calendar year.

49 6. Nothing in subsection 5 of this section shall relieve a vendor of liability
50 to collect the tax imposed pursuant to sections 144.600 to 144.748 on the total
51 gross receipts of all sales of tangible personal property used, stored or consumed
52 in this state and to remit all taxes collected to the director of revenue in
53 accordance with the provisions of this section nor shall it relieve a purchaser from
54 paying such taxes to a vendor registered in accordance with the provisions of
55 section 144.650] **Any out-of-state seller, which is not legally required to**
56 **register for use tax in this state, but chooses to collect and remit use tax**
57 **under sections 144.600 to 144.761, shall file a return for a calendar**

58 year. The return shall be filed and the taxes paid on or before January
59 thirty-first of the succeeding year. In the event that any out of state
60 seller, which is not legally required to register for use tax in this state,
61 but chooses to collect and remit use tax under sections 144.600 to
62 144.761, has accumulated state and local use tax funds in the amount
63 equal to one thousand dollars or more, that vendor shall file a return
64 and remit the amount due for the month in which the accumulated state
65 and local use tax funds in the amount equal to one thousand dollars or
66 more, that vendor shall file a return and remit the amount due for the
67 month in which the accumulated state and local funds equal to one
68 thousand dollars.

69 **6. The director of revenue may prescribe any seller to file and**
70 **remit use tax electronically.**

144.805. 1. In addition to the exemptions granted pursuant to the
2 provisions of section 144.030, there shall also be specifically exempted from the
3 provisions of sections 144.010 to 144.525, sections 144.600 to 144.748, and section
4 238.235, RSMo, and the provisions of any local sales tax law, as defined in section
5 32.085, RSMo, and from the computation of the tax levied, assessed or payable
6 pursuant to sections 144.010 to 144.525, sections 144.600 to 144.748, and section
7 238.235, RSMo, and the provisions of any local sales tax law, as defined in section
8 32.085, RSMo, all sales of aviation jet fuel in a given calendar year to common
9 carriers engaged in the interstate air transportation of passengers and cargo, and
10 the storage, use and consumption of such aviation jet fuel by such common
11 carriers, if such common carrier has first paid to the state of Missouri, in
12 accordance with the provisions of this chapter, state sales and use taxes pursuant
13 to the foregoing provisions and applicable to the purchase, storage, use or
14 consumption of such aviation jet fuel in a maximum and aggregate amount of one
15 million five hundred thousand dollars of state sales and use taxes in such calendar
16 year.

17 2. To qualify for the exemption prescribed in subsection 1 of this section,
18 the common carrier shall furnish to the seller a certificate in writing to the effect
19 that an exemption pursuant to this section is applicable to the aviation jet fuel so
20 purchased, stored, used and consumed. The director of revenue shall permit any
21 such common carrier to enter into a direct-pay agreement with the department of
22 revenue, pursuant to which such common carrier may pay directly to the
23 department of revenue any applicable sales and use taxes on such aviation jet fuel

24 up to the maximum aggregate amount of one million five hundred thousand
25 dollars in each calendar year. The director of revenue shall adopt appropriate
26 rules and regulations to implement the provisions of this section, and to permit
27 appropriate claims for refunds of any excess sales and use taxes collected in
28 calendar year 1993 or any subsequent year with respect to any such common
29 carrier and aviation jet fuel.

30 3. The provisions of this section shall apply to all purchases and deliveries
31 of aviation jet fuel from and after May 10, 1993.

32 4. All sales and use tax revenues upon aviation jet fuel received pursuant
33 to this chapter, less the amounts specifically designated pursuant to the
34 constitution or pursuant to section 144.701 for other purposes, shall be deposited
35 to the credit of the aviation trust fund established pursuant to section 305.230,
36 RSMo; provided however, the amount of such state sales and use tax revenues
37 deposited to the credit of such aviation trust fund shall not exceed six million
38 dollars in each calendar year.

39 5. The provisions of this section and section 144.807 shall expire on
40 [December 31, 2013] **January 31, 2008.**

221.407. 1. The commission of any regional jail district may impose, by
2 order, a sales tax in the amount of one-eighth of one percent, one-fourth of one
3 percent, three-eighths of one percent, or one-half of one percent on all retail sales
4 made in such region which are subject to taxation pursuant to the provisions of
5 sections 144.010 to 144.525, RSMo, for the purpose of providing jail services and
6 court facilities and equipment for such region. The tax authorized by this section
7 shall be in addition to any and all other sales taxes allowed by law, except that
8 no order imposing a sales tax pursuant to this section shall be effective unless the
9 commission submits to the voters of the district, on any election date authorized
10 in chapter 115, RSMo, a proposal to authorize the commission to impose a tax.

11 2. The ballot of submission shall contain, but need not be limited to, the
12 following language:

13 Shall the regional jail district of (counties' names)
14 impose a region-wide sales tax of (insert amount) for the purpose of
15 providing jail services and court facilities and equipment for the region?

16 YES NO

17 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
18 are opposed to the question, place an "X" in the box opposite "No". If a majority
19 of the votes cast on the proposal by the qualified voters of the district voting

20 thereon are in favor of the proposal, then the order and any amendment to such
21 order shall be in effect on the first day of the second **calendar** quarter
22 [immediately following the election approving the proposal] **after the director**
23 **of revenue receives notification of adoption of the local sales tax.** If the
24 proposal receives less than the required majority, the commission shall have no
25 power to impose the sales tax authorized pursuant to this section unless and until
26 the commission shall again have submitted another proposal to authorize the
27 commission to impose the sales tax authorized by this section and such proposal
28 is approved by the required majority of the qualified voters of the district voting
29 on such proposal; however, in no event shall a proposal pursuant to this section
30 be submitted to the voters sooner than twelve months from the date of the last
31 submission of a proposal pursuant to this section.

32 3. All revenue received by a district from the tax authorized pursuant to
33 this section shall be deposited in a special trust fund and shall be used solely for
34 providing jail services and court facilities and equipment for such district for so
35 long as the tax shall remain in effect.

36 4. Once the tax authorized by this section is abolished or terminated by
37 any means, all funds remaining in the special trust fund shall be used solely for
38 providing jail services and court facilities and equipment for the district. Any
39 funds in such special trust fund which are not needed for current expenditures
40 may be invested by the commission in accordance with applicable laws relating to
41 the investment of other county funds.

42 5. All sales taxes collected by the director of revenue pursuant to this
43 section on behalf of any district, less one percent for cost of collection which shall
44 be deposited in the state's general revenue fund after payment of premiums for
45 surety bonds as provided in section 32.087, RSMo, shall be deposited in a special
46 trust fund, which is hereby created, to be known as the "Regional Jail District
47 Sales Tax Trust Fund". The moneys in the regional jail district sales tax trust
48 fund shall not be deemed to be state funds and shall not be commingled with any
49 funds of the state. The director of revenue shall keep accurate records of the
50 amount of money in the trust fund which was collected in each district imposing
51 a sales tax pursuant to this section, and the records shall be open to the
52 inspection of officers of each member county and the public. Not later than the
53 tenth day of each month the director of revenue shall distribute all moneys
54 deposited in the trust fund during the preceding month to the district which levied
55 the tax. Such funds shall be deposited with the treasurer of each such district,

56 and all expenditures of funds arising from the regional jail district sales tax trust
57 fund shall be paid pursuant to an appropriation adopted by the commission and
58 shall be approved by the commission. Expenditures may be made from the fund
59 for any function authorized in the order adopted by the commission submitting the
60 regional jail district tax to the voters.

61 6. The director of revenue may authorize the state treasurer to make
62 refunds from the amounts in the trust fund and credited to any district for
63 erroneous payments and overpayments made, and may redeem dishonored checks
64 and drafts deposited to the credit of such districts. If any district abolishes the
65 tax, the commission shall notify the director of revenue of the action at least
66 ninety days prior to the effective date of the repeal, and the director of revenue
67 may order retention in the trust fund, for a period of one year, of two percent of
68 the amount collected after receipt of such notice to cover possible refunds or
69 overpayment of the tax and to redeem dishonored checks and drafts deposited to
70 the credit of such accounts. After one year has elapsed after the effective date of
71 abolition of the tax in such district, the director of revenue shall remit the balance
72 in the account to the district and close the account of that district. The director
73 of revenue shall notify each district in each instance of any amount refunded or
74 any check redeemed from receipts due the district.

75 7. Except as provided in this section, all provisions of sections 32.085 and
76 32.087, RSMo, shall apply to the tax imposed pursuant to this section.

77 8. The provisions of this section shall expire September 30, 2015.

238.235. 1. (1) Any transportation development district may by resolution
2 impose a transportation development district sales tax on all retail sales made in
3 such transportation development district which are subject to taxation pursuant
4 to the provisions of sections 144.010 to 144.525, RSMo, except such transportation
5 development district sales tax shall not apply to the sale or use of motor vehicles,
6 trailers, boats or outboard motors [nor to all sales of electricity or electrical
7 current, water and gas, natural or artificial, nor to sales of service to telephone
8 subscribers, either local or long distance]. Such transportation development
9 district sales tax may be imposed for any transportation development purpose
10 designated by the transportation development district in its ballot of submission
11 to its qualified voters, except that no resolution enacted pursuant to the authority
12 granted by this section shall be effective unless:

13 (a) The board of directors of the transportation development district
14 submits to the qualified voters of the transportation development district a

15 proposal to authorize the board of directors of the transportation development
16 district to impose or increase the levy of an existing tax pursuant to the provisions
17 of this section; or

18 (b) The voters approved the question certified by the petition filed
19 pursuant to subsection 5 of section 238.207.

20 (2) If the transportation district submits to the qualified voters of the
21 transportation development district a proposal to authorize the board of directors
22 of the transportation development district to impose or increase the levy of an
23 existing tax pursuant to the provisions of paragraph (a) of subdivision (1) of this
24 subsection, the ballot of submission shall contain, but need not be limited to, the
25 following language:

26 Shall the transportation development district of
27 (transportation development district's name) impose a transportation development
28 district-wide sales tax at the rate of (insert amount) for a period of
29 (insert number) years from the date on which such tax is first imposed for the
30 purpose of (insert transportation development purpose)?

31 YES NO

32 If you are in favor of the question, place an "X" in the box opposite "YES". If you
33 are opposed to the question, place an "X" in the box opposite "NO".

34 If a majority of the votes cast on the proposal by the qualified voters voting
35 thereon are in favor of the proposal, then the resolution and any amendments
36 thereto shall be in effect. If a majority of the votes cast by the qualified voters
37 voting are opposed to the proposal, then the board of directors of the
38 transportation development district shall have no power to impose the sales tax
39 authorized by this section unless and until the board of directors of the
40 transportation development district shall again have submitted another proposal
41 to authorize it to impose the sales tax pursuant to the provisions of this section
42 and such proposal is approved by a majority of the qualified voters voting thereon.

43 (3) [The sales tax authorized by this section shall become effective on the
44 first day of the month following adoption of the tax by the qualified voters.

45 (4) In each transportation development district in which a sales tax has
46 been imposed in the manner provided by this section, every retailer shall add the
47 tax imposed by the transportation development district pursuant to this section
48 to the retailer's sale price, and when so added such tax shall constitute a part of
49 the price, shall be a debt of the purchaser to the retailer until paid, and shall be
50 recoverable at law in the same manner as the purchase price.

51 (5) In order to permit sellers required to collect and report the sales tax
52 authorized by this section to collect the amount required to be reported and
53 remitted, but not to change the requirements of reporting or remitting tax or to
54 serve as a levy of the tax, and in order to avoid fractions of pennies, the
55 transportation development district may establish appropriate brackets which
56 shall be used in the district imposing a tax pursuant to this section in lieu of those
57 brackets provided in section 144.285, RSMo.

58 (6)] All revenue received by a transportation development district from the
59 tax authorized by this section which has been designated for a certain
60 transportation development purpose shall be deposited in a special trust fund and
61 shall be used solely for such designated purpose. Upon the expiration of the
62 period of years approved by the qualified voters pursuant to subdivision (2) of this
63 subsection or if the tax authorized by this section is repealed pursuant to
64 subsection 6 of this section, all funds remaining in the special trust fund shall
65 continue to be used solely for such designated transportation development
66 purpose. Any funds in such special trust fund which are not needed for current
67 expenditures may be invested by the board of directors in accordance with
68 applicable laws relating to the investment of other transportation development
69 district funds.

70 [(7)] (4) The sales tax may be imposed in increments of one-eighth of one
71 percent, up to a maximum of one percent on the receipts from the sale at retail of
72 all tangible personal property or taxable services at retail within the
73 transportation development district adopting such tax, if such property and
74 services are subject to taxation by the state of Missouri pursuant to the provisions
75 of sections 144.010 to 144.525, RSMo, except such transportation development
76 district sales tax shall not apply to the sale or use of motor vehicles, trailers, boats
77 or outboard motors [nor to public utilities]. Any transportation development
78 district sales tax imposed pursuant to this section shall be imposed at a rate that
79 shall be uniform throughout the district.

80 2. The resolution imposing the sales tax pursuant to this section shall
81 impose upon all sellers a tax for the privilege of engaging in the business of selling
82 tangible personal property or rendering taxable services at retail to the extent and
83 in the manner provided in sections 144.010 to 144.525, RSMo, and the rules and
84 regulations of the director of revenue issued pursuant thereto; except that the rate
85 of the tax shall be the rate imposed by the resolution as the sales tax and the tax
86 shall be reported and returned to and collected by the transportation development

87 district.

88 3. [On and after the effective date of any tax imposed pursuant to this
89 section, the transportation development district shall perform all functions
90 incident to the administration, collection, enforcement, and operation of the
91 tax. The tax imposed pursuant to this section shall be collected and reported upon
92 such forms and under such administrative rules and regulations as may be
93 prescribed by the transportation development district.

94 4. (1) All applicable provisions contained in sections 144.010 to 144.525,
95 RSMo, governing the state sales tax, sections 32.085 and 32.087, RSMo, and
96 section 32.057, RSMo, the uniform confidentiality provision, shall apply to the
97 collection of the tax imposed by this section, except as modified in this section.

98 (2) All exemptions granted to agencies of government, organizations,
99 persons and to the sale of certain articles and items of tangible personal property
100 and taxable services pursuant to the provisions of sections 144.010 to 144.525,
101 RSMo, are hereby made applicable to the imposition and collection of the tax
102 imposed by this section.

103 (3) The same sales tax permit, exemption certificate and retail certificate
104 required by sections 144.010 to 144.525, RSMo, for the administration and
105 collection of the state sales tax shall satisfy the requirements of this section, and
106 no additional permit or exemption certificate or retail certificate shall be required;
107 except that the transportation development district may prescribe a form of
108 exemption certificate for an exemption from the tax imposed by this section.

109 (4) All discounts allowed the retailer pursuant to the provisions of the
110 state sales tax laws for the collection of and for payment of taxes pursuant to such
111 laws are hereby allowed and made applicable to any taxes collected pursuant to
112 the provisions of this section.

113 (5) The penalties provided in section 32.057, RSMo, and sections 144.010
114 to 144.525, RSMo, for violation of those sections are hereby made applicable to
115 violations of this section.

116 (6) For the purpose of a sales tax imposed by a resolution pursuant to this
117 section, all retail sales except retail sales of motor vehicles shall be deemed to be
118 consummated at the place of business of the retailer unless the tangible personal
119 property sold is delivered by the retailer or the retailer's agent to an out-of-state
120 destination or to a common carrier for delivery to an out-of-state destination. In
121 the event a retailer has more than one place of business in this state which
122 participates in the sale, the sale shall be deemed to be consummated at the place

123 of business of the retailer where the initial order for the tangible personal
124 property is taken, even though the order must be forwarded elsewhere for
125 acceptance, approval of credit, shipment or billing. A sale by a retailer's employee
126 shall be deemed to be consummated at the place of business from which the
127 employee works.

128 5.] All sales taxes collected by the transportation development district shall
129 be deposited by the transportation development district in a special fund to be
130 expended for the purposes authorized in this section. The transportation
131 development district shall keep accurate records of the amount of money which
132 was collected pursuant to this section, and the records shall be open to the
133 inspection of officers of each transportation development district and the general
134 public.

135 [6.] 4. (1) No transportation development district imposing a sales tax
136 pursuant to this section may repeal or amend such sales tax unless such repeal
137 or amendment will not impair the district's ability to repay any liabilities which
138 it has incurred, money which it has borrowed or revenue bonds, notes or other
139 obligations which it has issued or which have been issued by the commission or
140 any local transportation authority to finance any project or projects.

141 (2) Whenever the board of directors of any transportation development
142 district in which a transportation development sales tax has been imposed in the
143 manner provided by this section receives a petition, signed by ten percent of the
144 qualified voters calling for an election to repeal such transportation development
145 sales tax, the board of directors shall, if such repeal will not impair the district's
146 ability to repay any liabilities which it has incurred, money which it has borrowed
147 or revenue bonds, notes or other obligations which it has issued or which have
148 been issued by the commission or any local transportation authority to finance any
149 project or projects, submit to the qualified voters of such transportation
150 development district a proposal to repeal the transportation development sales tax
151 imposed pursuant to the provisions of this section. If a majority of the votes cast
152 on the proposal by the qualified voters voting thereon are in favor of the proposal
153 to repeal the transportation development sales tax, then the resolution imposing
154 the transportation development sales tax, along with any amendments thereto, is
155 repealed. If a majority of the votes cast by the qualified voters voting thereon are
156 opposed to the proposal to repeal the transportation development sales tax, then
157 the ordinance or resolution imposing the transportation development sales tax,
158 along with any amendments thereto, shall remain in effect.

159 5. After the effective date of any tax imposed under the
160 provisions of this section, the director of revenue shall perform all
161 functions incident to the administration, collection, enforcement, and
162 operation of the tax and the director of revenue shall collect in addition
163 to the sales tax for the state of Missouri the additional tax authorized
164 under the authority of this section. The tax imposed under this section
165 and the tax imposed under the sales tax law of the state of Missouri
166 shall be collected together and reported upon such forms and under
167 such administrative rules and regulations as may be prescribed by the
168 director of revenue.

169 6. All transportation development district sales taxes collected by
170 the director of revenue pursuant to this section on behalf of any
171 transportation development district, less one percent for cost of
172 collection, which shall be deposited in the state's general revenue fund
173 after payment of premiums for surety bonds as provided in section
174 32.087, RSMo, shall be deposited with the state treasurer in a
175 transportation development district sales tax trust fund. The moneys
176 in such transportation development sales tax trust fund shall not be
177 deemed to be state funds and shall not be commingled with any funds
178 of the state. The director of revenue shall keep accurate records of the
179 amount of money in the trust fund which was collected in each
180 transportation development district imposing a transportation
181 development district sales tax, and the records shall be open to the
182 inspection of officers of the district and to the public. Not later than
183 the tenth day of each month the director of revenue shall distribute all
184 moneys deposited in the trust fund during the preceding month by
185 distributing to the district treasurer, or such other officer as may be
186 designated by the transportation development district ordinance or
187 order, of each district imposing the tax authorized by this section, the
188 sum due the district as certified by the director of revenue.

189 7. The director of revenue may authorize the state treasurer to
190 make refunds from the amounts in the trust fund and credited to any
191 transportation development district for erroneous payments and
192 overpayments made, and may redeem dishonored checks and drafts
193 deposited to the credit of such counties. If any county abolishes the tax,
194 the transportation development district shall notify the director of
195 revenue of the action at least ninety days prior to the effective date of

196 the repeal, and the director of revenue may order retention in the trust
 197 fund, for a period of one year, of two percent of the amount collected
 198 after receipt of such notice to cover possible refunds or overpayment of
 199 the tax and to redeem dishonored checks and drafts deposited to the
 200 credit of such accounts. After one year has elapsed after the effective
 201 date of abolition of the tax in such transportation development district,
 202 the director of revenue shall authorize the state treasurer to remit the
 203 balance in the account to the transportation development district and
 204 close the account of that county. The director of revenue shall notify
 205 each transportation development district of each instance of any
 206 amount refunded or any check redeemed from receipts due the district.

207 8. Except as provided in this section, all provisions of sections
 208 32.085 and 32.087, RSMo, shall apply to the tax imposed under this
 209 section.

238.410. 1. Any county transit authority established pursuant to section
 2 238.400 may impose a sales tax of up to one percent on all retail sales made in
 3 such county which are subject to taxation under the provisions of sections 144.010
 4 to 144.525, RSMo. The tax authorized by this section shall be in addition to any
 5 and all other sales taxes allowed by law, except that no sales tax imposed under
 6 the provisions of this section shall be effective unless the governing body of the
 7 county, on behalf of the transit authority, submits to the voters of the county, at
 8 a county or state general, primary or special election, a proposal to authorize the
 9 transit authority to impose a tax.

10 2. The ballot of submission shall contain, but need not be limited to, the
 11 following language:

12 Shall the Transit Authority impose a
 13 countywide sales tax of (insert amount) in order to provide revenues
 14 for the operation of transportation facilities operated by the transit authority?

15 YES NO

16 If you are in favor of the question, place an "X" in the box opposite "YES". If you
 17 are opposed to the question, place an "X" in the box opposite "NO".

18 If a majority of the votes cast on the proposal by the qualified voters voting
 19 thereon are in favor of the proposal, then the tax shall become effective on the
 20 first day of the second calendar quarter following notification to the department
 21 of revenue of adoption of the tax. If a majority of the votes cast by the qualified
 22 voters voting are opposed to the proposal, then the transit authority shall have no

23 power to impose the sales tax authorized by this section unless and until another
24 proposal to authorize the transit authority to impose the sales tax authorized by
25 this section has been submitted and such proposal is approved by a majority of the
26 qualified voters voting thereon.

27 3. All revenue received by the transit authority from the tax authorized
28 under the provisions of this section shall be deposited in a special trust fund and
29 shall be used solely by the transit authority for construction, purchase, lease,
30 maintenance and operation of transportation facilities located within the county
31 for so long as the tax shall remain in effect. Any funds in such special trust fund
32 which are not needed for current expenditures may be invested by the transit
33 authority in accordance with applicable laws relating to the investment of county
34 funds.

35 4. No transit authority imposing a sales tax pursuant to this section may
36 repeal or amend such sales tax unless such repeal or amendment is submitted to
37 and approved by the voters of the county in the same manner as provided in
38 subsection 1 of this section for approval of such tax. Whenever the governing body
39 of any county in which a sales tax has been imposed in the manner provided by
40 this section receives a petition, signed by ten percent of the registered voters of
41 such county voting in the last gubernatorial election, calling for an election to
42 repeal such sales tax, the governing body shall submit to the voters of such county
43 a proposal to repeal the sales tax imposed under the provisions of this section. If
44 a majority of the votes cast on the proposal by the registered voters voting thereon
45 are in favor of the proposal to repeal the sales tax, then such sales tax is repealed.
46 If a majority of the votes cast by the registered voters voting thereon are opposed
47 to the proposal to repeal the sales tax, then such sales tax shall remain in effect.

48 5. The sales tax imposed under the provisions of this section shall impose
49 upon all sellers a tax for the privilege of engaging in the business of selling
50 tangible personal property or rendering taxable services at retail to the extent and
51 in the manner provided in sections 144.010 to 144.525, RSMo, and the rules and
52 regulations of the director of revenue issued pursuant thereto; except that the rate
53 of the tax shall be the rate approved pursuant to this section. The amount
54 reported and returned to the director of revenue by the seller shall be computed
55 on the basis of the combined rate of the tax imposed by sections 144.010 to
56 144.525, RSMo, and the tax imposed by this section, plus any amounts imposed
57 under other provisions of law.

58 6. After the effective date of any tax imposed under the provisions of this

59 section, the director of revenue shall perform all functions incident to the
60 administration, collection, enforcement, and operation of the tax, and the director
61 of revenue shall collect in addition to the sales tax for the state of Missouri the
62 additional tax authorized under the authority of this section. The tax imposed
63 under this section and the tax imposed under the sales tax law of the state of
64 Missouri shall be collected together and reported upon such forms and under such
65 administrative rules and regulations as may be prescribed by the director of
66 revenue. In order to permit sellers required to collect and report the sales tax to
67 collect the amount required to be reported and remitted, but not to change the
68 requirements of reporting or remitting tax or to serve as a levy of the tax, and in
69 order to avoid fractions of pennies, the applicable provisions of section 144.285,
70 RSMo, shall apply to all taxable transactions.

71 7. All applicable provisions contained in sections 144.010 to 144.525,
72 RSMo, governing the state sales tax and section 32.057, RSMo, the uniform
73 confidentiality provision, shall apply to the collection of the tax imposed by this
74 section, except as modified in this section. All exemptions granted to agencies of
75 government, organizations, persons and to the sale of certain articles and items
76 of tangible personal property and taxable services under the provisions of sections
77 144.010 to 144.525, RSMo, are hereby made applicable to the imposition and
78 collection of the tax imposed by this section. The same sales tax permit,
79 exemption certificate and retail certificate required by sections 144.010 to 144.525,
80 RSMo, for the administration and collection of the state sales tax shall satisfy the
81 requirements of this section, and no additional permit or exemption certificate or
82 retail certificate shall be required; except that the director of revenue may
83 prescribe a form of exemption certificate for an exemption from the tax imposed
84 by this section. All discounts allowed the retailer under the provisions of the state
85 sales tax law for the collection of and for payment of taxes under chapter 144,
86 RSMo, are hereby allowed and made applicable to any taxes collected under the
87 provisions of this section. The penalties provided in section 32.057, RSMo, and
88 sections 144.010 to 144.525, RSMo, for a violation of those sections are hereby
89 made applicable to violations of this section.

90 8. [For the purposes of a sales tax imposed pursuant to this section, all
91 retail sales shall be deemed to be consummated at the place of business of the
92 retailer, except for tangible personal property sold which is delivered by the
93 retailer or his agent to an out-of-state destination or to a common carrier for
94 delivery to an out-of-state destination and except for the sale of motor vehicles,

95 trailers, boats and outboard motors, which is provided for in subsection 12 of this
96 section. In the event a retailer has more than one place of business in this state
97 which participates in the sale, the sale shall be deemed to be consummated at the
98 place of business of the retailer where the initial order for the tangible personal
99 property is taken, even though the order must be forwarded elsewhere for
100 acceptance, approval of credit, shipment or billing. A sale by a retailer's employee
101 shall be deemed to be consummated at the place of business from which he works.

102 9.] All sales taxes collected by the director of revenue under this section
103 on behalf of any transit authority, less one percent for cost of collection which
104 shall be deposited in the state's general revenue fund after payment of premiums
105 for surety bonds as provided in this section, shall be deposited in the state
106 treasury in a special trust fund, which is hereby created, to be known as the
107 "County Transit Authority Sales Tax Trust Fund". The moneys in the county
108 transit authority sales tax trust fund shall not be deemed to be state funds and
109 shall not be commingled with any funds of the state. The director of revenue shall
110 keep accurate records of the amount of money in the trust fund which was
111 collected in each transit authority imposing a sales tax under this section, and the
112 records shall be open to the inspection of officers of the county and the public. Not
113 later than the tenth day of each month the director of revenue shall distribute all
114 moneys deposited in the trust fund during the preceding month to the transit
115 authority which levied the tax.

116 [10.] 9. The director of revenue may authorize the state treasurer to make
117 refunds from the amounts in the trust fund and credited to any transit authority
118 for erroneous payments and overpayments made, and may authorize the state
119 treasurer to redeem dishonored checks and drafts deposited to the credit of such
120 transit authorities. If any transit authority abolishes the tax, the transit
121 authority shall notify the director of revenue of the action at least ninety days
122 prior to the effective date of the repeal and the director of revenue may order
123 retention in the trust fund, for a period of one year, of two percent of the amount
124 collected after receipt of such notice to cover possible refunds or overpayment of
125 the tax and to redeem dishonored checks and drafts deposited to the credit of such
126 accounts. After one year has elapsed after the effective date of abolition of the tax
127 in such transit authority, the director of revenue shall authorize the state
128 treasurer to remit the balance in the account to the transit authority and close the
129 account of that transit authority. The director of revenue shall notify each transit
130 authority of each instance of any amount refunded or any check redeemed from

131 receipts due the transit authority. The director of revenue shall annually report
132 on his management of the trust fund and administration of the sales taxes
133 authorized by this section. He shall provide each transit authority imposing the
134 tax authorized by this section with a detailed accounting of the source of all funds
135 received by him for the transit authority.

136 [11.] 10. The director of revenue and any of his deputies, assistants and
137 employees who shall have any duties or responsibilities in connection with the
138 collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting,
139 or recording of funds which come into the hands of the director of revenue under
140 the provisions of this section shall enter a surety bond or bonds payable to any
141 and all transit authorities in whose behalf such funds have been collected under
142 this section in the amount of one hundred thousand dollars; but the director of
143 revenue may enter into a blanket bond or bonds covering himself and all such
144 deputies, assistants and employees. The cost of the premium or premiums for the
145 surety bond or bonds shall be paid by the director of revenue from the share of the
146 collection retained by the director of revenue for the benefit of the state.

147 [12.] 11. Sales taxes imposed pursuant to this section and use taxes on
148 the purchase and sale of motor vehicles, trailers, boats, and outboard motors shall
149 not be collected and remitted by the seller, but shall be collected by the director
150 of revenue at the time application is made for a certificate of title, if the address
151 of the applicant is within a county where a sales tax is imposed under this
152 section. The amounts so collected, less the one percent collection cost, shall be
153 deposited in the county transit authority sales tax trust fund. The purchase or
154 sale of motor vehicles, trailers, boats, and outboard motors shall be deemed to be
155 consummated at the address of the applicant. As used in this subsection, the term
156 "boat" shall only include motorboats and vessels as the terms "motorboat" and
157 "vessel" are defined in section 306.010, RSMo.

158 [13.] 12. In any county where the transit authority sales tax has been
159 imposed, if any person is delinquent in the payment of the amount required to be
160 paid by him under this section or in the event a determination has been made
161 against him for taxes and penalty under this section, the limitation for bringing
162 suit for the collection of the delinquent tax and penalty shall be the same as that
163 provided in sections 144.010 to 144.525, RSMo. Where the director of revenue has
164 determined that suit must be filed against any person for the collection of
165 delinquent taxes due the state under the state sales tax law, and where such
166 person is also delinquent in payment of taxes under this section, the director of

167 revenue shall notify the transit authority to which delinquent taxes are due under
168 this section by United States registered mail or certified mail at least ten days
169 before turning the case over to the attorney general. The transit authority, acting
170 through its attorney, may join in such suit as a party plaintiff to seek a judgment
171 for the delinquent taxes and penalty due such transit authority. In the event any
172 person fails or refuses to pay the amount of any sales tax due under this section,
173 the director of revenue shall promptly notify the transit authority to which the tax
174 would be due so that appropriate action may be taken by the transit authority.

175 [14.] 13. Where property is seized by the director of revenue under the
176 provisions of any law authorizing seizure of the property of a taxpayer who is
177 delinquent in payment of the tax imposed by the state sales tax law, and where
178 such taxpayer is also delinquent in payment of any tax imposed by this section,
179 the director of revenue shall permit the transit authority to join in any sale of
180 property to pay the delinquent taxes and penalties due the state and to the transit
181 authority under this section. The proceeds from such sale shall first be applied
182 to all sums due the state, and the remainder, if any, shall be applied to all sums
183 due such transit authority under this section.

184 [15. The transit authority created under the provisions of sections 238.400
185 to 238.412 shall notify any and all affected businesses of the change in tax rate
186 caused by the imposition of the tax authorized by sections 238.400 to 238.412.

187 [16.] 14. In the event that any transit authority in any county with a
188 charter form of government and with more than two hundred fifty thousand but
189 fewer than three hundred fifty thousand inhabitants submits a proposal in any
190 election to increase the sales tax under this section, and such proposal is approved
191 by the voters, the county shall be reimbursed for the costs of submitting such
192 proposal from the funds derived from the tax levied under this section.

193 **15. Except as provided in sections 238.400 to 238.412, all**
194 **provisions of sections 32.085 and 32.087, RSMo, shall apply to the tax**
195 **imposed under sections 238.410 to 238.412.**

644.032. 1. The governing body of any municipality or county may impose,
2 by ordinance or order, a sales tax in an amount not to exceed one-half of one
3 percent on all retail sales made in such municipality or county which are subject
4 to taxation under the provisions of sections 144.010 to 144.525, RSMo. The tax
5 authorized by this section and section 644.033 shall be in addition to any and all
6 other sales taxes allowed by law, except that no ordinance or order imposing a
7 sales tax under the provisions of this section and section 644.033 shall be effective

8 unless the governing body of the municipality or county submits to the voters of
 9 the municipality or county, at a municipal, county or state general, primary or
 10 special election, a proposal to authorize the governing body of the municipality or
 11 county to impose a tax[, provided, that the tax authorized by this section shall not
 12 be imposed on the sales of food, as defined in section 144.014, RSMo, when
 13 imposed by any county with a charter form of government and with more than one
 14 million inhabitants].

15 2. The ballot of submission shall contain, but need not be limited to, the
 16 following language:

17 Shall the municipality (county) of impose a
 18 sales tax of (insert amount) for the purpose of providing funding for
 19 (insert either storm water control, or local parks, or storm
 20 water control and local parks) for the municipality (county)?

21 YES NO

22 If a majority of the votes cast on the proposal by the qualified voters voting
 23 thereon are in favor of the proposal, then the ordinance or order and any
 24 amendments thereto shall be in effect on the first day of the second quarter after
 25 the director of revenue receives notice of adoption of the tax. If a majority of the
 26 votes cast by the qualified voters voting are opposed to the proposal, then the
 27 governing body of the municipality or county shall not impose the sales tax
 28 authorized in this section and section 644.033 until the governing body of the
 29 municipality or county resubmits another proposal to authorize the governing body
 30 of the municipality or county to impose the sales tax authorized by this section
 31 and section 644.033 and such proposal is approved by a majority of the qualified
 32 voters voting thereon; however, in no event shall a proposal pursuant to this
 33 section and section 644.033 be submitted to the voters sooner than twelve months
 34 from the date of the last proposal pursuant to this section and section 644.033.

35 3. All revenue received by a municipality or county from the tax authorized
 36 under the provisions of this section and section 644.033 shall be deposited in a
 37 special trust fund and shall be used to provide funding for storm water control or
 38 for local parks, or both, within such municipality or county, provided that such
 39 revenue may be used for local parks outside such municipality or county if the
 40 municipality or county is engaged in a cooperative agreement pursuant to section
 41 70.220, RSMo.

42 4. Any funds in such special trust fund which are not needed for current
 43 expenditures may be invested by the governing body in accordance with applicable

44 laws relating to the investment of other municipal or county funds.

2 [144.046. In addition to the exemptions granted under the
3 provisions of section 144.030, there is hereby specifically exempted
4 from the provisions of sections 144.010 to 144.525 and sections
5 144.600 to 144.748 and from the computation of the tax levied,
6 assessed or payable under sections 144.010 to 144.525 and sections
7 144.600 to 144.748, the sale at retail of separately measured
8 electrical current to manufacturers of batteries in this state for
9 conversion to stored chemical energy in new lead-acid storage
10 batteries solely for the purpose of providing an initial charge in
11 such batteries during the manufacturing process but not for the
12 purpose of recharging any previously manufactured batteries. The
13 sale at retail of such separately measured electrical current
14 described in this section shall not be exempted from any local sales
15 tax imposed under a local sales tax law, as defined in section
32.085, RSMo.]

2 [144.517. In addition to the exemptions granted pursuant to
3 section 144.030, there shall also be exempted from state sales and
4 use taxes all sales of textbooks, as defined by section 170.051,
5 RSMo, when such textbook is purchased by a student who possesses
6 proof of current enrollment at any Missouri public or private
7 university, college or other postsecondary institution of higher
8 learning offering a course of study leading to a degree in the liberal
9 arts, humanities or sciences or in a professional, vocational or
10 technical field, provided that the books which are exempt from state
11 sales tax are those required or recommended for a class. Upon
12 request the institution or department must provide at least one list
13 of textbooks to the bookstore each semester. Alternately, the
14 student may provide to the bookstore a list from the instructor,
15 department or institution of his or her required or recommended
16 textbooks. This exemption shall not apply to any locally imposed
sales or use tax.]

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